

# GENERAL BUDGET INFORMATION

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# BOARD OF SUPERVISORS AND COUNTY OFFICIALS



**District One**  
**Phil Serna**



**District Two**  
**Jimmie Yee**



**District Three**  
**Susan Peters**



**District Four**  
**Roberta  
MacGlasan**



**District Five**  
**Don Notolli**

**COUNTY EXECUTIVE**  
**Bradley J. Hudson**

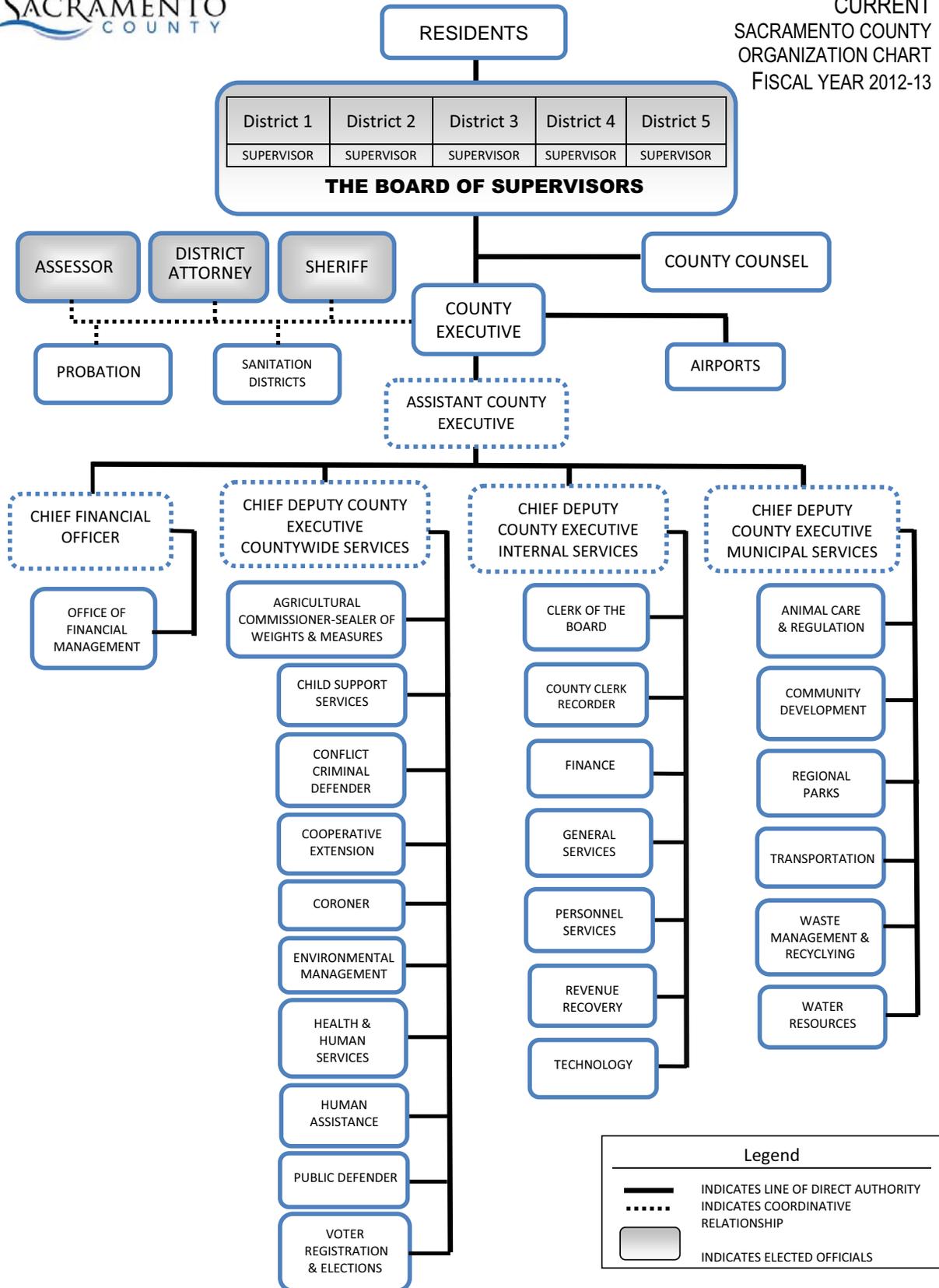
**COUNTY COUNSEL**  
**John Whisenhunt**



# ORGANIZATIONAL CHART



CURRENT  
SACRAMENTO COUNTY  
ORGANIZATION CHART  
FISCAL YEAR 2012-13



**Legend**

- INDICATES LINE OF DIRECT AUTHORITY
- INDICATES COORDINATIVE RELATIONSHIP
- INDICATES ELECTED OFFICIALS

# LETTER FROM CHAIR, BOARD OF SUPERVISORS



CHAIRMAN  
BOARD OF SUPERVISORS  
COUNTY OF SACRAMENTO  
700 H STREET, SUITE 2450 · SACRAMENTO, CA 95814

DON NOTTOLI  
SUPERVISOR, FIFTH DISTRICT  
Telephone (916) 874-5465  
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E-MAIL: [nottolid@sacounty.net](mailto:nottolid@sacounty.net)

November 9, 2012

To the People of Sacramento:

The Sacramento County Board of Supervisors is pleased to present the County's Fiscal Year 2012-13 Adopted Budget. The County Budget is both the financial and operating plan for provision of services to you by the County as well as the special districts governed by the Board of Supervisors.

The County budget was developed through an open and public process assuring community members and interested parties the opportunity to participate in its review and development. Budget hearings were conducted in June and September, and on September 25, 2012, the Board adopted the final budget. The 2012-13 Fiscal Year Budget is balanced, maintains essential services, and guides the delivery of important programs and activities serving people throughout Sacramento County.

This year's budget, not unlike previous budgets, is the result of a tremendous amount of work and effort required in its preparation and compilation. It reflects the commitment by the Board, even in challenging fiscal times, to maintain fiscal integrity while working to serve the needs of the people of Sacramento County.

Should you desire further information regarding the Fiscal Year 2012-13 Adopted Budget or the County's budget process, please feel free to contact members of the Board of Supervisors (874-5411) or the Office of the County Executive (874-5833).

Sincerely,



Don Nottoli, Chairman  
Board of Supervisors  
Sacramento County

# COUNTY VISION, MISSION AND VALUES

## VISION

*A vision is a compelling conceptual image of the desired future.*

This statement describes “what we want to be” in the twenty-first century.

Our Vision is for Sacramento County to be:

- The most livable community with the highest quality public service

## MISSION

*Our mission statement defines why our organization exists.*

It describes what we want to do for the community.

Our Mission for Sacramento County is to:

- Improve quality of life in the community
- Promote individual responsibility and achievement
- Protect one another and the environment we share
- Provide innovative and cooperative quality customer service
- Recognize and seize opportunities for improvement
- Stimulate economic growth and regional cooperation

## VALUES

*These values are the basic principles and beliefs for the County of Sacramento.*

They govern the way we make and carry out our decisions.

Our Values for Sacramento County are:

- Trust
- Dignity and respect for the individual
- Customer service
- Partnership
- Empowerment
- Continuous improvement
- Personal and professional growth
- Respect for cultural and ethnic diversity

# SUMMARY OF 2012-13 ADOPTED BUDGET

The Introduction is a brief summary of Sacramento County's Annual Budget as adopted by the Board of Supervisors after legally required public hearings held in September 2012. The Introduction provides the reader with a guide to the contents of the larger document by summarizing information in the following sections:

- I. Budget Document Content
- II. Summary of the Adopted Final Budget
  - The General Fund, Programs, Financing, and Fund Balance Changes
  - Other Funds Subject to Appropriation (Other Governmental Funds)
- III. Five-Year Capital Improvement Plan
- IV. County Executive's Recommended Fiscal Year 2012-13 Budget Report

## **I. Budget Document Content**

The County's annual budget document includes fiscal and operational information on county operations and those special districts and enterprises governed by the Board of Supervisors. It consists of several general sections including:

- General budget information summarizes the Adopted Budget and presents the County Executive's Recommended Budget. (The Recommended Budget report may be viewed or downloaded at the following county Web site: <http://www.budget.saccounty.net/index.htm>) This section also includes a summary of the budget policies/process; the basis of budgeting; information about the County, major funds, major revenue trends, a summary of authorized staffing levels, and summaries of appropriations and financing. (See section "A-General Budget Information")
- State-determined Program Areas and Revenue Summary Schedules (tables) listing the financing and requirements for county funds, and appropriations in governmental funds. (See section "B-Summary Schedules")
- Summary of Positions giving the authorized staffing levels by budget unit. (See section "C-Summary of Positions")
- Detailed information (the budget messages) on the various budget units making up the overall county budget. This information is organized into the following five sections that reflect the organizational structure of the County (see page A-4 for Organizational Chart).
  - Elected Officials (See Section D)
  - General Government/Administration (See Section E)
  - Internal Services (See Section F)
  - Countywide Services (See Section G)
  - Municipal Services (See Section H)
  - Sanitation Districts Agency (See Section I)
- The Five-Year Capital Improvement Plan (CIP) is also included as part of the budget document (see Volume III). Annually, the Board of Supervisors holds a separate hearing on the Five-Year Capital Improvement Plan.

**II. Summary of the Adopted Final Budget**

Final Budget Hearings were held in September 2012. As part of these hearings the Board of Supervisors adopted the County Executive's Recommended Budget totaling \$3.54 billion and is reflected in the table below. The adopted budget reflects reductions of 2.3 percent (\$0.08 billion) from the Fiscal Year 2011-12 Final Budget of \$3.62 billion.

**Total County Budget by Fund Type**

	<b>Amount</b>	<b>Percent</b>
General Fund	\$1,988,536,189	56.1
Special Revenue Funds	290,535,793	8.2
Capital Project Funds	41,999,005	1.2
Debt Service Funds	57,141,174	1.6
<b>Subtotal - Governmental Funds</b>	<b>2,378,212,161</b>	<b>67.1</b>
Internal Service Funds	430,614,712	12.2
Enterprise Funds	431,204,290	12.2
Special Districts and Other Agencies	303,529,789	8.6
<b>TOTAL</b>	<b>\$3,543,560,952</b>	<b>100.0</b>

**The General Fund, Programs, Financing, and Fund Balance Changes**

The overall authorized spending for departmental programs and the contingency is approximately \$1.99 billion. As reflected in the table above the General Fund is the largest county fund. Support for the General Fund is detailed in the following table:

<b>Financing Source</b>	<b>Amount</b>
Departmental Revenue	\$1,513,950,329
Local Revenue	454,981,786
Reserve Release	1,356,420
Fund Balance	18,247,654
<b>Total</b>	<b>\$1,988,536,189</b>

The General Fund supports the majority of county services and nearly three-quarters of county employees providing both countywide and municipal services. As a California county, Sacramento County provides countywide human services, and law and justice services. The human services include human assistance aid, foster care, public health, mental health, and protective services. The countywide law and justice services include prosecution, adult and juvenile detention (jails), coroner services, and legal defense.

The majority of General Fund appropriations cover employee salary and benefit costs. The following table illustrates the classification of appropriations:

<b>Appropriation Type</b>	<b>Amount (In Millions)</b>	<b>Percent</b>
Salaries and Benefits	\$1,033.3	52.0
Welfare Aid Payments	357.6	18.0
Other Charges	333.7	16.8
Services and Supplies	269.1	13.5
Internal Charges	143.0	7.2
Debt Service	7.4	0.4
All Other	(155.6)	(7.8)
<b>Total</b>	<b>\$1,988.5</b>	<b>100.0</b>

The following tables summarize the net cost of the General Fund programs that are financed from local resources after all the reductions were adopted. It compares the Fiscal Year 2012-13 Adopted Budget for the General Fund by Agency to the Fiscal Year 2011-12 Final Adopted Budget:

**ADOPTED BUDGET NET COST COMPARISON**  
(Amounts Expressed in millions)

<b>Program</b>	<b>2012-13 Adopted Budget Net Cost</b>	<b>2011-12 Adopted Budget Net Cost</b>	<b>Year to Year Variance</b>
<b><u>Elected Officials</u></b>			
Assessor	\$7.6	\$8.0	(\$0.4)
Board of Supervisors	3.0	2.8	0.2
District Attorney	42.4	42.1	0.3
Sheriff	163.9	159.3	4.6
Correctional Health Services	15.1	15.2	(0.1)
<b>Subtotal</b>	<b>\$232.0</b>	<b>227.4</b>	<b>4.6</b>
<b><u>Countywide Services</u></b>			
Child Support Services	0.0	0.0	0.0
Health and Human Services	25.9	27.6	(1.7)
Health Treatment Account	19.6	20.5	(0.9)
Human Assistance-Admin.	9.3	9.3	0.0
Human Assistance-Payments	25.1	31.4	(6.3)
IHSS Provider Payments	11.1	7.7	3.4
Probation	48.4	51.2	(2.8)
Public Defender	26.0	27.9	(1.9)
Other	58.9	59.8	(0.9)
<b>Subtotal</b>	<b>\$224.3</b>	<b>\$235.4</b>	<b>(\$11.1)</b>

<b>General Government/COO</b>	24.0	21.6	2.4
<b>Internal Services</b>	0.3	0.3	0.0
<b>Municipal Services</b>	5.0	4.9	0.1
<b>Contingencies</b>	1.5	1.8	(0.3)
<b>Reserve Increases</b>	0.1	2.9	(2.8)
<b>Total</b>	<b>\$487.2</b>	<b>\$494.3</b>	<b>(\$7.1)</b>

Generally, all departments have had their recommended net cost either reduced or increased only slightly to offset mandated costs

Countywide Services consume approximately half the local revenue resources, primarily for mandated services. Municipal Services, Internal Services, and General Government are allocated together at only 6.0 percent of the local revenue resources, although this picture is skewed by the mixed services (Municipal and Countywide) provided by Assessor, District Attorney, and the Sheriff. The Board, Assessor, and District Attorney Offices' provide countywide services, but much of the allocation to the Sheriff's Department is for municipal services.

**General Purpose Financing**

General Purpose Financing is the source used to fund the net cost of the various programs. The following table details the year-to-year recommended changes in general purpose revenues:

**General Purpose Revenues  
(Amounts Expressed In Millions)**

	<b>2012-13 Adopted Budget</b>	<b>2011-12 Adopted Budget</b>	<b>Year to Year Decrease / (Increase)</b>
Property Taxes *	\$192.1	\$202.3	(\$10.2)
Property Tax In Lieu of Vehicle License Fees	121.6	126.7	(5.1)
Sales Tax & In Lieu Sales Tax	67.5	62.4	5.1
Utility Tax	16.9	16.1	0.8
Fines & Penalties	17.3	16.6	0.7
Property Transfer Tax	6.0	6.0	0.0
Franchises	4.7	5.0	(0.3)
Revenue Neutrality & Transition	16.2	16.2	0.0
Operating Transfer In	0.0	0.0	0.0
Other Revenues & Costs	30.0	36.7	(6.7)
<b>Total</b>	<b>\$472.3</b>	<b>\$488.0</b>	<b>(\$15.7)</b>

\*Includes all sources of property tax revenue (i.e. Secured, Unsecured, Supplemental, Delinquent, Unitary)

Property Tax Revenues currently constitute the second largest source of General Fund financing and account for 40.7 percent of the total financing. Property Taxes is a one percent tax on real property.

Property Tax In Lieu of Vehicle License Fees is the second largest source of General Fund financing with 25.7 percent of the total financing. This revenue source emerged as a result of the State's "swap" deal.

Sales Tax and In Lieu Sales Tax account for 14.3 percent of the total General Fund financing. With minimal growth anticipated, sales tax is expected to reach approximately \$51.5 million. In Lieu Sales Taxes emerged as a result of the State's "Triple Flip" provision which reduces the County's Sales and Use Taxes by 25.0 percent. The State backfills this 25.0 percent reduction with Educational Revenue Augmentation Fund (ERAF) revenues. In Lieu Sales Tax is budgeted at \$16.0 million.

**Recent Changes in Fund Balance of General Fund**

The following table reflects the beginning total fund balance (both Departmental carryover and Non-Departmental fund balance) of each fiscal year since Fiscal Year 2004-05 and the change in available fund balance from the prior-year fiscal year:

<b>Fiscal Year</b>	<b>Fund Balance</b>	<b>Variance</b>
2004-05	\$ 67,952,967	\$ 5,087,391
2005-06	102,560,476	34,607,509
2006-07	140,718,398	38,157,922
2007-08	74,532,227	(66,186,171)
2008-09	23,357,256	(51,174,971)
2009-10	11,645,815	(11,711,441)
2010-11	8,138,537	(3,507,278)
2011-12	9,403,535	1,264,998
2012-13	18,247,654	8,844,119

- In Fiscal Year 2004-05 and Fiscal Year 2005-06 there was an unanticipated increase in property tax revenues associated with the strong local real estate market. The actual growth in major revenues such as sales tax and vehicle license fees also met budgetary expectations.
- The beginning fund balance for Fiscal Year 2006-07 exceeded budgeted estimates by \$55.7 million largely because of the continued strong local real estate market (Property Tax collections exceeded budget estimates by \$55.7 million). Because collections were so much higher than anticipated, the County took the opportunity to increase general reserves by \$57.0 million.
- In Fiscal Year 2007-08 the beginning fund balance declined because Property Tax collections were more in line with budgeted estimates.
- In Fiscal Years 2008-09 through 2010-11 the true impact of the economic downturn can be seen with the drop in fund balance which is predominately the result of a decrease in both property taxes and sales related taxes and transfers in from other funds.
- In Fiscal Years 2011-12 and 2012-13 fund balance is slightly improved from the prior year as revenues have begun to stabilize.

**Other Funds Subject to Appropriation (Other Governmental Funds)**

The overall financing and requirement for the Other Governmental Funds, or those other funds subject to appropriation is found in Schedule 1 – All Funds Summary, in the Summary Schedules portion of this document. An analysis of fund balances is reflected in Schedule 2 – Governmental Funds Summary. Reserve change detail is reflected in Schedule 3 – Fund Balance - Governmental Funds. All other Summary Schedules are reflected in Section B – Summary Schedules. Following is a brief description of the Other Governmental Funds, the major financing sources, and the Fiscal Year 2012-13 requirement and financing.

**SPECIAL REVENUE FUNDS**

**Building Inspection Fund – \$14,482,624 0.0 Positions**

Primary financing comes from building inspection charges. The County is responsible for building inspection in the Unincorporated Area. Requirements include reserve increase of \$2,387,681.

**County Library – \$1,077,932 0.0 Positions**

The primary source of financing for this fund comes from a dedicated share of property taxes collected in the Unincorporated Area and the cities of Sacramento, Elk Grove, Citrus Heights, Galt, Rancho Cordova, and Isleton. Library services are provided by a joint City of Sacramento – Sacramento County Joint Powers Authority with a separate Authority Board. Funding allocated to this fund is transferred to the Library Authority for services and materials.

**Economic Development – \$44,533,496 16.0 Positions**

County economic development activities are financed from this fund. Major projects include the conversion of two former air force bases from military to mixed private and public use. Funding comes from the sale of land and facilities, grants, and a contribution from the General Fund. Requirements include reserve increase of \$1,250,000.

**Environmental Management Fund – \$22,138,81 127.8 Positions**

Environmental Management provides countywide regulatory services that protect public health and the environment. The primary source of financing for this fund comes from fees and contracts associated with the various regulatory activities of the Environmental Health, Hazardous Materials, and Water Protection Divisions. Requirements include reserve increase of \$2,392,471.

**First 5 Sacramento Commission Fund – \$27,834,161 15.0 Positions**

Funding comes from the State of California under the terms of a voter-approved statewide initiative. The funding is restricted to services to youths and may not be used for basic county operations. Allocations are approved by a Commission consisting of elected officials and appointed members. Requirements include reserve increase of \$525,726.

**Fish and Game Fund – \$30,698 0.0 Positions**

Financing for this fund comes from fish and game fines. The funds are used for education programs. Requirements include reserve increase of \$2,537.

**Golf Fund – \$7,487,862 6.0 Positions**

The operations and maintenance of three county golf courses is financed from this fund. Major financing sources include user fees and concession charges.

**Road Fund – \$83,503,974 0.0 Positions**

Gas tax and restricted state road funding accrue to this fund. Street and road acquisition, construction, and maintenance are financed from this fund. The purpose of this fund is to segregate the gas tax revenue.

**Roadways Fund – \$6,614,442 0.0 Positions**

This fund is used to segregate development impact and special assessment revenue dedicated to street and road acquisition, construction, and maintenance.

**Rural Transit Fund – \$8,279,847 0.0 Positions**

This fund provides transit services to the rural areas of the Unincorporated Area of the county. Funding comes from various sources including the Transportation Development Act, Federal Transit Administration, grants and fare box revenues.

**Tobacco Litigation Settlement Fund – \$11,690,354 0.0 Positions**

Financing for this fund comes from the proceeds of the tobacco revenue bond sale (securitization). Included in the bond sale was an amount that together with interest earnings could provide \$6.3 million in funding for health, youth, and community programs. The Board of Supervisors approves allocations to community based organizations on a competitive basis and on a three-year funding cycle.

**Transient-Occupancy Tax Fund – \$6,689,005 0.0 Positions**

This fund is a subset of the General Fund. The county's hotel tax accrues to this fund, and this revenue is general purpose financing and may be expended on any county activity. The Board of Supervisors holds special hearings to allocate financing from this fund to community organizations, facilities and programs jointly funded with the City of Sacramento, and County Departments.

**Transportation-Sales Tax Fund – \$56,172,583 0.0 Positions**

In Sacramento County the voters have approved a ½ cent increase in the sales tax to be dedicated to transportation capital projects and operations. Revenue is shared by the County, cities, and the Regional Transit System (bus and train service). This fund is used to segregate the county's share of the special sales tax revenue.

**CAPITAL PROJECT FUNDS**

**Capital Construction Fund – \$39,858,188**

**0.0 Positions**

Financing comes from a use allocations charge to the departments occupying county-owned facilities, debt financing, and grants. The acquisition, construction, and major maintenance of county facilities are financed from this fund.

**Park Construction Fund – \$2,140,817**

**0.0 Positions**

Funding comes from grants, donations, state bond sales, and contributions from the County Transient-Occupancy Tax Fund. Parks acquisition, development, and rehabilitation projects are financed from this fund.

**DEBT SERVICE FUNDS**

**Teeter Plan -- \$57,141,174**

**0.0 Positions**

The County utilizes the Teeter Plan of property tax distribution. All secured tax delinquencies are advanced to those public agencies in the County which receive property taxes. The County borrows the funds to advance the delinquent taxes from the Treasury Pool in an annual five-year note. The borrowed funds are repaid with delinquent tax principal, redemption charges, and interest (18.0 percent per year).

**INTERNAL SERVICE FUNDS**

The following Internal Service Funds are used to accumulate and allocate costs internally among the county's various functions and special services.

<b>Department</b>	<b>Fiscal Year 2012-13</b>	<b>Positions</b>
Board of Retirement	\$6,543,592	45.5
Building And Code Enforcement	42,689,328	241.4
Consolidated Utilities Billing Services	11,229,374	51.8
General Services-Airport District	5,950,001	39.0
General Services-Bradshaw District	12,824,113	79.0
General Services-Capital Outlay	10,090,000	0.0
General Services-Downtown District	7,544,514	48.0
General Services-Energy Management	9,502,086	1.0
General Services-Heavy Equipment	24,299,488	86.0
General Services-Light Equipment	21,367,819	24.0
General Services-Office Of The Director	1,202,855	21.8
General Services-Purchasing	2,596,082	13.0
General Services-Real Estate	43,556,479	24.0
General Services-Security Services	3,080,691	29.4
General Services-Support Services	10,294,161	22.5
Interagency Procurement	54,943,822	0.0
Liability/Property Insurance	18,075,696	0.0
Municipal Services Agency-Administrative Services	2,703,831	24.0
Regional Radio Communications System	5,429,616	9.0
Technology	51,898,320	222.0
Transportation	52,871,238	264.1
Unemployment Insurance	4,082,614	0.0
Workers' Compensation Insurance	27,838,992	0.0
<b>Total Internal Service Funds</b>	<b>\$430,614,712</b>	<b>1,245.5</b>

**ENTERPRISE FUNDS**

The following Enterprise Funds are established to account for county operations financed and operated in a manner similar to private business enterprises (e.g., utilities, airports, parking garages). The costs of these activities are financed or recovered primarily through user charges.

<b>Department</b>	<b>Fiscal Year 2012-13</b>	<b>Positions</b>
Airport System	\$258,301,759	409.0
Airport-Capital Outlay	-1,266,779	0.0
Parking Enterprise	2,816,263	7.0
Solid Waste Enterprise	77,213,103	250.6
Solid Waste Enterprise Capital Outlay	3,759,670	0.0
Water Agency Enterprise	90,380,274	100.0
<b>Total Enterprise Funds</b>	<b>\$431,204,290</b>	<b>766.6</b>

**SPECIAL DISTRICTS AND OTHER AGENCIES**

The following Special Districts and Other Agencies Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for those specific purposes.

<b>Department</b>	<b>Fiscal Year 2012-13</b>	<b>Positions</b>
1997-Public Facilities Debt Service	\$341,038	0.0
1997-Public Facilities-Construction	548,561	0.0
1997-Refunding Public Facilities Debt Service	417,793	0.0
2003 Public Facilities-Debt Service	55,799	0.0
2004 Pension Obligation Bonds	1,358,874	0.0
2006 Public Facilities-Debt Service	334,680	0.0
2007 Public Facilities Projects-Construction	889,018	0.0
2007 Public Facilities Projects-Debt Service	301,221	0.0
2010 Refunding COPs-Debt Service	250,252	0.0
2010 Refunding COPs-Parking Garage-Debt Service	69,225	0.0
Antelope Assessment	870,750	0.0
Antelope Public Facilities Financing Plan	2,669,454	0.0
Bradshaw/US 50 Financing District	141,910	0.0
Carmichael Recreation and Park District	4,129,408	18.0
Connector Joint Powers Authority	459,497	3.0
County Parks Community Facilities District 2006-1	2,195	0.0
County Service Area No. 1	3,946,262	0.0
County Service Area No. 10	26,671	0.0
County Service Area No.4B-(Wilton-Cosumnes)	46,809	0.0
County Service Area No.4C-(Delta)	62,304	0.0
County Service Area No.4D-(Herald)	8,552	0.0
Del Norte Oaks Park District	3,203	0.0
Department of Flood Management	212,818	2.0
Fixed Asset Revolving	49,303,755	0.0
Florin Road Capital Project	421,502	0.0
Fulton Avenue Capital Project	27,558	0.0
Gold River Station No. 7	55,230	0.0
Juvenile Courthouse-Debt Service	60,126	0.0
Laguna Community Facility District	1,233,907	0.0
Laguna Creek/Elliott Ranch Community Facilities District No. 1	2,872,990	0.0
Laguna Stonelake Community Facilities District	232,490	0.0
Landscape Maintenance District	880,583	0.0
Mather Landscape Maintenance Community Facilities District	538,185	0.0
Mather Public Facilities Financing Plan	2,895,112	0.0
McClellan Park Community Facilities District	318,766	0.0
Metro Air Park	6,462,308	0.0
Metro Air Park Service Tax	757,341	0.0
Mission Oaks Maintenance/Improvement District	1,934,000	0.0
Mission Oaks Recreation and Park District	4,050,458	15.0
Natomas Fire District	3,865,578	0.0
North Vineyard Station Specific Plan (NVSSP)	4,417,219	0.0
Park Meadows Community Facilities District-Bond Proceeds	148,332	0.0
Pension Obligation Bond-Debt Service	1,730,520	0.0
Pension Obligation Bond-Interest Rate Stabilization	1,111,329	0.0
Regional Sanitation District-Operating	55,392,821	456.0
Sacramento Area Sewer District	32,563,280	274.0
Sacramento County Landscape Maintenance	293,132	0.0
Sunrise Recreation and Park District	10,179,204	22.0

<b>Department</b>	<b>Fiscal Year 2012-13</b>	<b>Positions</b>
Tobacco Litigation Settlement-Capital Projects	13,268,476	0.0
Vineyard Public Facilities Financing Plan - Roadway	8,274,317	0.0
Water Agency Zone 11-Drainage Infrastructure	13,639,507	0.0
Water Agency-Zone 13	4,925,297	0.0
Water Resources	62,847,218	144.2
<b>Total Special Districts and Other Agencies</b>	<b>\$303,529,789</b>	<b>934.2</b>

**III. Five-Year Capital Improvement Plan (Volume II)**

The 2012-13 Adopted Budget includes a Five-Year Capital Improvement Plan (CIP) for Sacramento County. The CIP lists both the approved and proposed capital improvements to be acquired or constructed through the 2016-17 Fiscal Year. The approved and proposed capital projects are broken into three major categories: Airports, County Facilities, and Regional Parks. The funding needs may be summarized.

<b>Category</b>	<b>Prior-Years and Five-Year Costs</b>
Airports	\$97,249,750
County Buildings & Capital Construction	74,021,034
Libraries	1,770,633
Regional Parks	10,560,505
Transportation	339,823,000
Waste Management & Recycling	57,398,997
Water Resources-Drainage	27,723,146
Water Resources-Water Supply	332,758,267
<b>Total</b>	<b>\$941,305,332</b>

Funding has not been obtained for all the projects, particularly those in the later years of the five-year plan. Following the Five-Year CIP will result in additional operating and debt service expenditures in the present and future years. The levels of new expenditures will depend upon factors such as the timing of the facility development, operating offsets from current facilities, and interest rates. All operating and debt service costs relating to the budget year are included in the budget. The multiyear modeling is used to estimate the impact of new facilities on the operating budget.

# COUNTY EXECUTIVE'S RECOMMENDED FISCAL YEAR 2012-13 ADOPTED BUDGET LETTER



**County Executive**  
Bradley J. Hudson

**County of Sacramento**

**Board of Supervisors**  
Phillip R. Serna, District 1  
Jimmie Yee, District 2  
Susan Peters, District 3  
Roberta MacGlashan, District 4  
Don Nottoli, District 5

September 5, 2012

Members of the Board of Supervisors  
County of Sacramento  
700 H Street, Suite 1450  
Sacramento, CA 95814

**Re: Fiscal Year 2012-13  
Budget Adoption**

Honorable Members of the Board:

It is my pleasure to submit to you Adopted Budget recommendations for Fiscal Year 2012-13. The spending plan presented for your consideration reflects continuing downward trends in discretionary revenue, balanced with solid improvement in our ability to manage resources and personnel in a recessionary budget environment. This budget continues our multi-year effort to align on-going revenues and expenditures while directing critical resources to the Board's primary policy objectives. Your employees and managers have responded to this challenge by strategically focusing resources on public service priorities, reducing internal service costs, closely managing budgets and expenditures, emphasizing efficiency initiatives, and controlling personnel costs. As a result of these efforts, the 2011-12 year end betterment to our fiscal position has yielded \$13.5 million in additional resources available to address critical funding requirements. The budget presented today allocates these additional resources to priority County functions and is consistent with the Board's previous policy directives.

The Adopted Budget Hearings are the culmination of a complex and rigorous process undertaken by all County departments to ensure that the County's funding plan meets the Board's fiscal and public service requirements. Department heads and employees are to be congratulated for the vigor and creativity in which they have pursued this endeavor. The underpinnings of this budget are sound, and are based on solid financial planning and the Board's generally conservative approach which balances the County's current service needs with long-term fiscal health. The 2012-13 budget prioritizes important services, reduces the cost of providing them, and generally sustains current levels of service. As always, your strong leadership has been critical to our success in crafting a budget plan to meet the needs of our residents in the coming year.

**DISCUSSION:**

**I. GENERAL FUND**

**Recommended Budget**

On June 13, 2012, the Board approved the Recommended Budget for 2012-13. During the hearings, your Board made several changes to the budget to enhance the funding for a variety of priority General Fund programs. The essence of these changes was a reduction in General Fund costs of approximately \$4.5 million and a reallocation of resources in the amount of \$3.7 million. The significant elements of these changes are illustrated below:

<b><u>Recommended Budget General Fund Allocation Changes</u></b>	
Agriculture Commissioner	\$ 83,000
Aid Payments	\$ (1,700,000)
Contingency	\$ (300,000)
Conflict Criminal Defender	\$ (1,250,000)
District Attorney	\$ 1,500,000
IHSS	\$ (425,445)
Probation	\$ 400,000
Public Defender	\$ 250,000
Regional Parks	\$ 190,000
Sheriff	\$ 5,744,000

General Fund allocations for all departments, as approved by the Board during Recommended Budget Hearings, are provided as Attachment "A".

**Financing Opportunities**

Since approval of the Recommended Budget, we have updated revenue, expenditure and year-end numbers to reflect current information. The net effect of these changes is an additional \$13.58 million in General Fund resources which are available to address the Board's priority public service programs. The budgetary increases and decreases which resulted in this additional net revenue are outlined below:

<u><b>Adopted Budget Changes to the General Fund</b></u>	
Carryover Betterment	\$13,813,261
Property Tax Settlement	\$ 864,047
Debt Service Earnings	\$ 950,000
Cost Savings Swept	\$ 531,000
Bank of America Building Debt	\$ (139,000)
TLS Endowment Fund	\$ (99,231)
Property and Sales Tax Changes	\$ (1,048,941)
Cable Franchise Change	\$ (883,488)
Court/DRR Change	\$ (400,000)
<b>Total</b>	<b>\$ 13,588,048</b>

The primary source of the additional revenue is carryover from 2011-12 that exceeded Recommended Budget estimates. Of the \$13.8 million in carryover, about \$5.4 million is associated with specific County departments. We are recommending that the current carryover policy be suspended, and that the Board allocate a portion of these resources to critical funding requirements as outlined in our Adopted Budget Recommendations. Specifically, we suggest that \$1.46 million be reallocated from departmental budgets as outlined in Attachment "B". The departments with reduced funding pursuant to this proposal received additional allocation from the CEO, the Board, or both which would have been less if carryover estimates had been more precise.

**Final Budget Recommendations**

The approved Recommended Budget is the starting point for Adopted Budget discussions. The changes we are recommending today include cost reductions, changes to carryover, and supplemental allocations of discretionary revenue. With respect to cost reductions, most were identified at the June hearings with the exception of a \$531,400 decrease in unemployment insurance and General Service charges. These savings have been allocated to departments, with corresponding

General Fund revenue removed from departmental budgets. Similarly, we are recommending the reallocation of departmental carryover in the amount of \$1.46 million. The primary beneficiaries of these reallocations and the overall betterment in fund balance are presented in the chart below:

<b><u>CEO Adopted Budget General Fund Allocation Adjustments</u></b>	
Conflict Criminal Defender	\$1,350,000
Coroner	\$ 135,336
Health and Human Services	\$ 284,468
Human Assistance	\$ 200,000
IHSS Provider Payments	\$3,082,716
Non Departmental Costs	\$ 951,687
Sheriff	\$5,000,000

The specific details for all General Fund departments are presented for your consideration as Attachment "C". The increase in non-departmental costs generally reflects repayment of a portion of inter-fund transfers made in previous budget years.

**AB 109 Realignment**

The Recommended Budget adopted by the Board included estimated allocations of State revenue for realigned public safety programs pursuant to AB 109. On August 23, 2012, the Community Corrections Partnership (CCP) approved allocations that will be presented to the Board in October. The Board has no authority to approve these CCP recommendations, but may disapprove them by a 4/5ths vote. The chart below provides the CEO recommendations included in the Approved Recommended Budget compared with the CCP approved allocations.

**AB 109 Budget Changes**

	Recommended CEO	CCP Approved	Change
Sheriff	\$ 17,870,779	\$ 20,541,641	\$ 2,670,862
Probation	\$ 8,409,778	\$ 8,659,778	\$ 250,000
D.A.	\$ 521,625	\$ 352,391	\$ (169,234)
Other	\$ 1,807,631	\$ 434,388	\$(1,373,243)

While no action on the AB 109 allocations is required during these hearings, the Board may want to consider this information in formulating funding policy for public safety programs. It is anticipated that I will recommend that the Board not disapprove the suggested CCP recommendations outlined herein. A more detailed presentation of CCP action on August 24 is provided as Attachment "D".

**Property Tax Adjustment**

The local housing market has continued to deteriorate, reducing assessed property values and associated property tax revenues. As a result, we recommend reducing estimated property tax revenue from \$321.5 million to \$319.9 million, a reduction of \$1.6 million. This adjustment to property taxes will also lower revenue neutrality payments from \$16.4 million to \$16.2 million, an additional reduction of \$0.2 million.

**Teeter Fund**

The Teeter Fund transfers excess earnings to the General Fund after reserve requirements have been met. Delinquent property taxes are expected to be higher than originally estimated, increasing the transfer of excess earnings in Fiscal Year 2012-13 from \$13.7 million to \$14.2 million, an increase of \$0.5 million. Also, Fiscal Year 2012-13 reserve requirements are \$0.3 million more than expected. The net benefit to the General Fund is \$0.2 million.

**Fund Balance**

Fund Balance for the General Fund was projected at Recommended Budget to be \$10.6 million. Actual Fund Balance is \$18.2 million, an increase of \$7.6 million.

### **Contingency Appropriation**

The Contingency budget remains at \$1.5 million as approved in the Recommended Budget.

## **II. GOVERNMENTAL – ENTERPRISE FUNDS**

### **Transportation Funds**

Transportation Funds consisting of County Roads, Roadways, and Transportation Sales Tax, decreased by \$1.8 million. These funds involve a construction program that is adopted as a long-range plan (five to seven years) and are managed through a series of approved annual expenditure plans. Due to the multiple-year demands of the projects, the annual budget represents the portion of the five to seven year construction plan that can reasonably be accomplished in the current fiscal year. Actual project expenditures generally differ from the budget due to many factors affecting project life cycles, i.e. environmental issues, public discussion, legal opinions, right-of-way acquisitions, consultant and construction contracts, and weather.

### **Solid Waste Enterprise**

The Solid Waste Enterprise fund balance has increased by \$5,925,579, primarily due to lower than anticipated operating and capital project expenditures.

### **Department of Water Resources**

- Water Resources fund balance has increased \$5,207,046 due to shifts in project timelines, other modifications in construction projects, project cost adjustments, and position vacancies.
- Water Agency Zone 11 fund balance has increased \$4,312,991 due to decreases in labor expenses, engineering, and other professional services related to lack of development activity.
- Water Agency Zone 13 fund balance has increased \$273,490 due to decreases in labor expenses, engineering services, and other professional services associated with the South Sacramento Habitat Conservation Program.

### **Airport Enterprise**

The Airport's operating budget reflects an increase of \$1,322,449 due to an increase in Storm Water fees for Executive Airport, an increase in Sewer Connection fees, and reductions in allocated costs.

### **Special Districts**

Special district budgets administered by the Infrastructure and Finance Section have increased by \$739,498 due to higher than anticipated fund balances in several of the districts.

### **Building and Code Enforcement**

Appropriations for the Building and Code Enforcement Fund increased \$110,936 due to various cost adjustments.

### **OTHER FUNDS**

#### **Transient Occupancy Tax (TOT)**

Fund balance decreased by \$179,250 due to the following:

- An expense increase of \$106,426 for projects and activities approved prior to Fiscal Year 2012-13 that are underway but not complete yet; and,
- A revenue decrease of \$285,676 for Fiscal Year 2011-12 Cultural Arts Awards payment from the City of Sacramento, which was budgeted for receipt during Fiscal Year 2011-12 but was actually received in Fiscal Year 2012-13.

#### **Teeter Reserve**

At the end of Fiscal Year 2011-12, the secured and unsecured property tax delinquencies were lower than anticipated. As a result, pursuant to statutory requirements, the Teeter Tax Loss Reserve was decreased by \$1,356,420 to \$8,379,714 for Fiscal Year 2012-13. The Tax Loss Reserve is a statutory prerequisite of the Teeter Plan and has no relationship to the borrowing through the Treasurer's Pooled Fund.

#### **Teeter Fund**

The Teeter Plan of Tax Apportionment fund balance was \$5,638,584. The increase in available fund balance is due to higher than anticipated delinquent tax collection at year end. The fund balance will be used to finance Fiscal Year 2012-13 debt service and associated financial services.

#### **Economic Development Fund**

Fund Balance has increased by \$261,035 to adjust for actual expenditures and revenues in Fiscal Year 2011-12.

**Environmental Management Fund (EMD)**

Fund balance increased by \$2,401,223 due to an increase in fines and penalties related to Court actions. The Reserve Release decreased by \$329,781 due to salary and benefit savings from unexpected retirements, changes to the allocated costs, and a rebate of retained earnings from the Department of General Services. In Fiscal Year 2012-13, EMD is planning a major effort in the area of underground tank compliance education which will utilize some funds from the reserve.

**Golf Fund**

Fund balance has increased by \$178,169 due to a postponement of payments resulting in lower year-end expenditure levels. Appropriations have increased by \$238,169 due to additional costs being carried forward from Fiscal Year 2011-12 and an adjustment to the contract management cost accounts. Revenues increased by \$60,000 due to an increase in recreational concession revenues.

**Insurance Funds**

The County utilizes three separate Internal Service Funds to accumulate charges and payments for Workers' Compensation Insurance, Liability/Property Insurance, and Unemployment Insurance. The County is basically self-insured for Workers' Compensation Insurance and Liability/Property Insurance; however, the County does purchase additional coverage above the self-insured retention levels of \$3 million for Workers' Compensation Insurance and \$2 million for Liability/Property Insurance. All three insurance funds are financed through charges to county departments.

Charges to county departments for all three insurance funds are determined on the basis of each department's claims experiences and exposure. The County has several higher risk services, particularly in the provision of municipal services to the Unincorporated Area. The following table reflects the Approved Recommended Budget and the Adopted Budget for insurance funds for the 2012-13 Fiscal Year:

**Insurance Funds**

	<b>Approved Recommended 2012-13</b>	<b>Recommended For Adoption 2012-13</b>	<b>Variance</b>
Workers' Compensation	\$27,838,992	\$27,838,992	\$0
Liability/Property	\$18,075,696	\$18,075,696	\$0
Unemployment	<u>\$5,313,664</u>	<u>\$4,082,614</u>	<u>-\$1,231,050</u>
<b>TOTAL</b>	<b>\$51,228,352</b>	<b>\$49,997,302</b>	<b>-\$1,231,050</b>

**Capital Construction Fund**

The Capital Construction Fund (CCF) typically budgets projects based on anticipated expenditures. Often the design, engineering and construction are not completed within the fiscal year in which a project is authorized. Those encumbered funds have a significant effect on fund balance. When a large project is financed, CCF typically provides the financing for the expense and receives reimbursement for those expenses. Since the revenue is received in arrears, the revenue is not listed as a balancing entry for the encumbrance. If a project is grant funded, as our Energy Efficiency Community Block Grant (EECBG) projects are, reimbursement for current year expenses may be delayed into the following fiscal year. These factors have an effect on the fund balance.

Encumbrances to be carried forward to Fiscal Year 2012-13 for projects were higher than anticipated and reimbursement for expenses incurred during Fiscal Year 2012-13 were not received by year end which decreased the available fund balance by \$4,042,594.

Since the 2012-13 Recommend Budget was approved we have also identified other sources of revenue for projects for a total of \$925,847 in additional revenue (including revenue that balances the decrease in fund balance). These revenue sources are restricted to specific construction projects. By leveraging various funding sources including loans, grants, energy rebates, and criminal justice trust fund money, CCF will be able to complete critical projects while continuing to fund \$6.6 million in debt service for General Fund departments in Fiscal Year 2012-13.

The Fiscal Year 2012-13 Recommended Budget has been adjusted to account for the decreased fund balance and additional revenue.

### **III. Special Districts**

- **CSA 4B**

Fund balance has increased by \$2,808 primarily due to lower than anticipated recreation services and supplies, and property tax revenues.

- **CSA 4C**

Fund balance has decreased by \$18,591 due to unforeseen facility repairs and lower than anticipated facility rental revenues.

- **CSA 4D**

Fund balance has decreased by \$100 due to lower than anticipated property tax revenues and higher than anticipated expenditures.

- **Del Norte Oaks Park Maintenance District**

Fund balance has increased by \$31 due to lower than anticipated property tax revenues.

- **Carmichael Recreation and Park District**

Fund balance has increased by \$77,588 primarily due to additional funds realized from lease income, donations and other revenue and reductions of service and supply expenditures.

- **Mission Oaks Recreation and Park District**

Fund balance has increased by \$119,450. Fiscal Year 2012-13 is the first of a five year repayment schedule for the \$600,000 loan to Carmichael Recreation and Park District. The loan reimbursement will go back into the District's Reserve account.

- **Mission Oaks Maintenance/Improvement District**

Fund balance has increased by \$15,229 due to re-budgeting projects for Fiscal Year 2012-13.

- **Sunrise Recreation and Park District**

Fund balance has decreased by \$179,704 due to lower than anticipated property tax revenue.

- **Antelope Assessment District**

Fund balance has decreased by \$81,365 due to lower than expected collection rate of assessment tax per household last year.

#### **IV. CONSTRUCTION IN PROGRESS**

The County's Five Year Capital Improvement Plan will be brought to the Board as a separate item giving the Board an opportunity to review construction plans and equipment purchases for county programs. Current year costs are included in the recommendations for the Adopted Budget.

#### **V. STATE BUDGET**

On June 27, Governor Brown signed the 2012-13 budget into law. However, the budget is based on voter approval of the Governor's initiative on the November ballot, which temporary increases the personal income tax on the state's wealthiest taxpayers for seven years and increases the sales tax by one-quarter percent for four years. It also provides a constitutional guarantee of county funding for 2011 Realignment funds for local public safety. The State's enacted budget has fiscal implications for our Departments of Human Assistance, Health and Human Services, Child Support Services and the Care-In Homes Program administered by the Probation Department, and has required those departments to make categorical budget adjustments in their respective programs.

##### **Human Assistance (DHA):**

The State allocation for CalWORKs is \$8.6 million less than what was included in the Approved Recommended Budget. This required the department to set priorities and, unfortunately, make categorical funding reductions in the following areas:

Eliminated 16 vacant CalWORKs positions. Twelve of these positions will be shifted to other funded programs. The remaining four positions, including one management position, will be deleted.

Reduced funding to the Department of Health and Human Services for mental health and substance abuse services by \$400,000 which represents a 6.6% reduction.

Reduced funding to Sacramento Employment and Training Agency's employment services contract by \$2.3 million. This 62% reduction significantly reduces employment services, some of which DHA will take over directly; the rest of which will impact community-based contracts.

Reduced the subsidized employment contract with SETA by \$775,000 (a 32% reduction) scaling the contract back to last year's level.

Reduced estimates for mandated child care payments by \$1.98 million. This reflects last year's child care spending levels.

Reduced various other Welfare-to-Work contracts by \$220,000, including those related to work study, learning disabilities, and other education-related services. This reduction represents 11.9% of funding for these services.

Reduced the CalWORKs funding for emergency homeless shelters by \$200,000. This 9.7% reduction will decrease the number of beds funded by CalWORKs, starting January 1, 2013. However this will be offset by additional County General Fund monies of \$200,000.

The Department has conducted extensive outreach to its stakeholders to inform them of these program reductions. None of these reductions were made without great consideration or without acknowledgement of the challenges for the ongoing service of people in need. The recommended reductions represent an effort to ensure that DHA can continue to meet its central mandates and still provide some level of safety net services to the most vulnerable CalWORKs families.

#### **Health and Human Services:**

The \$400,000 reduction in CalWORKs funding from DHA resulted in the reduction in mental health and substance abuse services and deletion of one vacant position.

#### **Child Support Services:**

The State Budget included a reduction to the Local Child Support Agency Administrative funding budget by approximately 2.0 percent which resulted in a funding reduction of about \$576,000 for Sacramento County. This loss of funding resulted in the deletion of eight vacant positions for the Department.

#### **Probation - Care-In Homes:**

In order to reduce the State's cost of housing and supervising wards under the Division of Juvenile Justice (DJJ), the Governor's budget included a new fee structure to charge the counties \$24,000 per year for each offender committed by a juvenile court to the DJJ on or after July 1, 2012. Other changes included ending juvenile parole on January 1, 2013 instead of July 1, 2014 and reducing the DJJ's age of jurisdiction from 25 to 23. These changes will cost Sacramento County about \$800,000 which is an increase of about \$320,000 above what was in the Approved Recommended Budget. However, this program had an increase in year-end carryover of \$111,942 which is being used to partially offset the increased costs due

to the State's new fee structure. This program will be monitored throughout the year and we will return to the Board with a funding plan if additional appropriations are required.

**RECOMMENDATIONS:**

1. Suspend the Board's carryover policy and approve the CEO recommended allocations as contained herein.
2. Approve the attached Budget and Schedules amending the Fiscal Year 2012-13 Approved Recommended Budget and constituting adoption of the budget for Fiscal Year 2012-13 (Attachment E).
3. Direct Department of Personnel Services to prepare an administrative Salary Resolution Amendment (SRA) to reflect the positions approved by the Board in the Fiscal Year 2012-13 Adopted Budget, including deletion of certain positions in order to reduce program expenditures.
4. Direct the Department of Finance to prepare the Fiscal Year 2012-13 Budget Resolutions for Board consideration on Tuesday, September 25, 2012.

Respectfully submitted,

Bradley J. Hudson  
County Executive

**Attachments:**

- Attachment A - General Fund Distributions: Approved Recommended Budget
- Attachment B - General Fund Departmental Carryover
- Attachment C - General Fund Allocations: CEO Adopted Budget
- Attachment D - 2012-13 AB 109 Spending Plan
- Attachment E - Budget and Schedules for 2012-13

# GENERAL BUDGET COUNTY EXECUTIVE'S RECOMMENDED FISCAL YEAR INFORMATION 2012-13 ADOPTED BUDGET LETTER

**Attachment A**

County of Sacramento  
**General Fund Allocations**  
 Fiscal Year 2012-13  
**Board Approved Recommended Budget**

B. U.	BUDGET UNIT	CEO Recommended	Cost Savings	Allocation Adjustments	Board Approved
3210000	AG COMM-SEALER OF WTS & MEASURES	721,291	(3,646)	83,000	800,645
3220000	ANIMAL CARE AND REGULATION	2,682,243	(7,456)		2,674,787
5980000	APPROPRIATION FOR CONTINGENCY	1,831,085		(300,000)	1,531,085
3610000	ASSESSOR	7,607,589	(18,925)		7,588,664
4050000	BOARD OF SUPERVISORS	3,039,645	(6,095)		3,033,550
6760000	CARE IN HOMES AND INSTITUTIONS	-			0
4210000	CIVIL SERVICE COMMISSION	269,584	(519)		269,065
4010000	CLERK OF THE BOARD/BOARD OF SUPERVISORS				0
4010000	CLERK OF THE BOARD	919,058	(1,188)		917,870
5720000	COMMUNITY DEVELOPMENT	1,042,186	(4,092)		1,038,094
5510000	CONFLICT CRIMINAL DEFENDERS	7,244,725	(951)	(1,250,000)	5,993,774
5920000	CONTRIBUTION TO LAFCO	228,833			228,833
4522000	CONTRIBUTION TO LAW LIBRARY				0
3310000	COOPERATIVE EXTENSION	315,940	(277)		315,663
4610000	CORONER	4,482,330	(11,345)		4,470,985
7410000	CORRECTIONAL HEALTH SERVICES	15,162,511	(31,544)		15,130,967
4810000	COUNTY COUNSEL	1,582,905	(10,151)		1,572,754
5910000	COUNTY EXECUTIVE	942,127	(1,827)		940,300
5040000	COURT / COUNTY CONTRIBUTION	24,743,085			24,743,085
5020000	COURT / NON-TRIAL COURT FUNDING	12,677,849			12,677,849
5710000	DATA PROCESSING-SHARED SYSTEMS	7,217,594			7,217,594
5800000	DISTRICT ATTORNEY	41,074,905	(120,728)	1,500,000	42,454,177
7090000	EMERGENCY OPERATIONS	211,104	(153)		210,951
3230000	FINANCE	280,870	(1,651)		279,219
5110000	FINANCING-TRANSFERS/REIMB	6,519,596			6,519,596
5660000	GRAND JURY	266,213			266,213
7200000	HEALTH AND HUMAN SERVICES	25,811,266	(102,565)		25,708,701
7270000	HEALTH-MEDICAL TREATMENT PAYMENTS	19,577,748			19,577,748
8100000	HUMAN ASSISTANCE-ADMIN	9,171,671	(14,937)		9,156,734
8700000	HUMAN ASSISTANCE-AID PAYMENTS	26,755,697		(1,700,000)	25,055,697
4660000	HUMAN RIGHTS/FAIR HOUSING	61,267			61,267
7250000	IHSS PROVIDER PAYMENTS	8,452,923		(425,445)	8,027,478
7230000	JUVENILE MEDICAL SERVICES	1,481,279	(9,064)		1,472,215
5970000	LABOR RELATIONS	-			0
5760000	NEIGHBORHOOD SERVICES				0
5770000	NON-DEPARTMENTAL COSTS/GF	4,773,210			4,773,210
5780000	OFFICE OF INSPECTOR GENERAL	59,640			59,640
6610000	PLANNING				0
6700000	PROBATION	48,673,053	(1,018,800)	400,000	48,054,253
6910000	PUBLIC DEFENDER	26,933,478	(157,872)	250,000	27,025,606
6400000	REGIONAL PARKS	2,249,836	(13,751)	190,000	2,426,085
7400000	SHERIFF	156,255,063	(2,937,171)	5,744,000	159,061,892
2820000	VETERAN'S FACILITY	10,557			10,557
4410000	VOTER REGISTRATION/ ELECTIONS	6,841,803	(16,847)		6,824,956
3260000	WILDLIFE SERVICES	44,640			44,640
		<b>478,216,400</b>	<b>(4,491,555)</b>	<b>4,491,555</b>	<b>478,216,400</b>

Note: Negative numbers represent reduction to Department General Fund Allocation.

# GENERAL BUDGET COUNTY EXECUTIVE'S RECOMMENDED FISCAL YEAR INFORMATION 2012-13 ADOPTED BUDGET LETTER

Attachment B

County of Sacramento  
General Fund Departmental Carryover  
Fiscal Year 2012-13

B. U.	Department	Proposed Carryover	Actual Carryover	Department Retained	Reallocated General Fund
3210000	AG COMM-SEALER OF WTS & MEASURES	303,336	425,869	122,533	60,000
3220000	ANIMAL CARE AND REGULATION	200,000	273,137	73,137	0
3610000	ASSESSOR	452,019	683,683	231,664	0
4050000	BOARD OF SUPERVISORS	51,973	117,682	65,709	67,131
4210000	CIVIL SERVICE COMMISSION	15,523	5,819	(9,704)	
4010000	CLERK OF THE BOARD	59,712	89,906	30,194	0
5720000	COMMUNITY DEVELOPMENT	64,435	402,348	337,913	0
5510000	CONFLICT CRIMINAL DEFENDERS	297,678	971,018	673,340	0
3310000	COOPERATIVE EXTENSION	12,217	24,206	11,989	11,989
4610000	CORONER	0	(35,336)	(35,336)	0
7410000	CORRECTIONAL HEALTH SERVICES	(58,450)	(358,913)	(300,463)	
4810000	COUNTY COUNSEL	0	159,224	159,224	0
5910000	COUNTY EXECUTIVE	0	5,705	5,705	5,705
5020000	COURT / NON-TRIAL COURT FUNDING	0	54,346	54,346	54,346
5710000	DATA PROCESSING-SHARED SYSTEMS	440,044	396,530	(43,514)	
3230000	DEPARTMENT OF FINANCE	0	538	538	0
5800000	DISTRICT ATTORNEY	110,537	769,870	659,333	0
7090000	EMERGENCY OPERATIONS	61,863	145,343	83,480	0
5660000	GRAND JURY	16,236	59,078	42,842	42,842
8100000	HUMAN ASSISTANCE-ADMIN	(110,374)	(117,238)	(6,864)	
5760000	NEIGHBORHOOD SERVICES	0	64,095	64,095	0
5780000	OFFICE OF INSPECTOR GENERAL	0	21,426	21,426	19,812
6700000	PROBATION	3,119,927	4,067,907	947,980	200,000
6910000	PUBLIC DEFENDER	511,353	1,730,142	1,218,789	970,142
6400000	REGIONAL PARKS	167,892	576,262	408,370	28,265
7400000	SHERIFF	0	(861,734)	(861,734)	
2820000	VETERAN'S FACILITY	0	661	661	661
		<b>5,715,921</b>	<b>9,671,574</b>	<b>3,955,653</b>	<b>1,460,893</b>

Note: Negative number is a reduction to Departmental resources.

# GENERAL BUDGET COUNTY EXECUTIVE'S RECOMMENDED FISCAL YEAR INFORMATION 2012-13 ADOPTED BUDGET LETTER

Attachment C

County of Sacramento  
General Fund Allocations  
Fiscal Year 2012-13  
Adopted Budget

B. U.	BUDGET UNIT	Proposed	Final Budget			
		Board Approved	Cost Savings	Allocation Adjustments	Net Carryover	CEO Recommended
3210000	AG COMM-SEALER OF WTS & MEASURES	800,645	(6,836)	(60,000)	122,533	856,342
3220000	ANIMAL CARE AND REGULATION	2,674,787	(23,267)		73,137	2,724,657
5980000	APPROPRIATION FOR CONTINGENCY	1,531,085	-			1,531,085
3610000	ASSESSOR	7,588,664	(6,500)		231,664	7,813,828
4050000	BOARD OF SUPERVISORS	3,033,550	(8,336)	(67,131)	65,709	3,023,792
6760000	CARE IN HOMES AND INSTITUTIONS	-	-			-
4210000	CIVIL SERVICE COMMISSION	269,065	(12,233)	8,360	(9,704)	255,488
4010000	CLERK OF THE BOARD/BOARD OF SUPERVISORS	-	-			-
4010000	CLERK OF THE BOARD	917,870	(3,204)		30,194	944,860
5720000	COMMUNITY DEVELOPMENT	1,038,094	(6,694)		402,008	1,433,408
5510000	CONFLICT CRIMINAL DEFENDERS	5,993,774	(326)	1,350,000	673,340	8,016,788
5920000	CONTRIBUTION TO LAFCO	228,833	-			228,833
3310000	COOPERATIVE EXTENSION	315,663	(5,519)	(11,989)	11,989	310,144
4610000	CORONER	4,470,985	(1,079)	135,336	(35,336)	4,569,906
7410000	CORRECTIONAL HEALTH SERVICES	15,130,967	(14,680)		(300,463)	14,815,824
4810000	COUNTY COUNSEL	1,572,754	(5,212)		159,224	1,726,766
5910000	COUNTY EXECUTIVE	940,300	(361)	(5,705)	5,705	939,939
5040000	COURT / COUNTY CONTRIBUTION	24,743,085	-			24,743,085
5020000	COURT / NON-TRIAL COURT FUNDING	12,677,849	-	(54,346)	54,346	12,677,849
5710000	DATA PROCESSING-SHARED SYSTEMS	7,217,594	-		(43,514)	7,174,080
5800000	DISTRICT ATTORNEY	42,454,177	(22,457)		659,333	43,091,053
7090000	EMERGENCY OPERATIONS	210,951	(1,328)		83,480	293,103
3230000	FINANCE	279,219	(890)		538	278,867
5110000	FINANCING-TRANSFERS/REIMB	6,519,596	-			6,519,596
5660000	GRAND JURY	266,213	(186)	(42,842)	42,842	266,027
7200000	HEALTH AND HUMAN SERVICES	25,708,701	(74,771)	284,468		25,918,398
7270000	HEALTH-MEDICAL TREATMENT PAYMENTS	19,577,748	-			19,577,748
8100000	HUMAN ASSISTANCE-ADMIN	9,156,734	(31,672)	200,000	(6,864)	9,318,198
8700000	HUMAN ASSISTANCE-AID PAYMENTS	25,055,697	-			25,055,697
4660000	HUMAN RIGHTS/FAIR HOUSING	61,267	-			61,267
7250000	IHSS PROVIDER PAYMENTS	8,027,478	-	3,082,716		11,110,194
7230000	JUVENILE MEDICAL SERVICES	1,472,215	(38,180)			1,434,035
5760000	NEIGHBORHOOD SERVICES	-	-			-
5770000	NON-DEPARTMENTAL COSTS/GF	4,773,210	-	951,687		5,724,897
5780000	OFFICE OF INSPECTOR GENERAL	59,640	-	(19,812)	21,426	61,254
6610000	PLANNING	-	-			-
6700000	PROBATION	48,054,253	(97,500)	(200,000)	947,980	48,704,733
6910000	PUBLIC DEFENDER	27,025,606	(15,991)	(970,142)	1,218,789	27,258,262
6400000	REGIONAL PARKS	2,426,085	(25,519)	(28,265)	408,370	2,780,671
7400000	SHERIFF	159,061,892	(96,404)	5,000,000	(861,734)	163,103,754
2820000	VETERAN'S FACILITY	10,557	-	(661)	661	10,557
4410000	VOTER REGISTRATION/ ELECTIONS	6,824,956	(32,255)			6,792,701
3260000	WILDLIFE SERVICES	44,640	-			44,640
	TEETER RESERVER			80,721		80,721
		<b>478,216,400</b>	<b>(531,400)</b>	<b>9,632,395</b>	<b>3,955,653</b>	<b>491,273,048</b>

Note: Negative numbers represent reductions to General Fund Allocations / Carryover available.

**GENERAL BUDGET COUNTY EXECUTIVE'S RECOMMENDED FISCAL YEAR  
INFORMATION 2012-13 ADOPTED BUDGET LETTER**

**ATTACHMENT D**

<b>FY 12-13 AB 109 SPENDING PLAN</b>		
<b>Department/Program</b>	<b>Funding Amount</b>	<b>Percentage of Total</b>
<b><i>Sheriff's Department:</i></b>		
Inmate Services	\$ 500,000	
Inmate Housing	\$ 16,637,293	
Home Detention/EM Program	\$ 2,244,409	
Pretrial & Supervised OR Program	\$ 500,000	
Regional Crime Analyst (Contract)	\$ 158,851	
<b>Total</b>	<b>\$ 20,040,553</b>	<b>66.8%</b>
<b><i>Sheriff's Correctional Health Division:</i></b>		
Psychotropic Medication & Monitoring	\$ 391,088	
In-custody long-term mental health treatment	\$ 110,000	
<b>Total</b>	<b>\$ 501,088</b>	<b>1.7%</b>
<b>Total for Sheriff's Department:</b>	<b>\$ 20,541,641</b>	<b>68.5%</b>
<b><i>Probation Department:</i></b>		
Adult Day Reporting Center (ADRC) North	\$ 4,038,038	
ADRC Additional Support	\$ 957,579	
Intensive Field Supervision	\$ 2,610,820	
Specialized Supervision Unit (60% of needed funding)	\$ 803,341	
Psychotropic Medication & Monitoring	\$ 250,000	
Kiosk GPS Monitoring	\$ -	
<b>Total</b>	<b>\$ 8,659,778</b>	<b>28.9%</b>
<b><i>District Attorney:</i></b>		
Criminalist Support	\$ 14,690	
Additional Criminalist & Supplies	\$ 172,995	
Forensic Lab Technician	\$ 64,304	
Deputy District Attorney 5 (6 month funding)	\$ 100,402	
<b>Total</b>	<b>\$ 352,391</b>	<b>1.2%</b>
<b><i>Department of Human Assistance:</i></b>		
Rio Cosumnes Correction Center Eligibility Specialist	\$ 86,217	
Post Release Community Supervision Eligibility Specialist	\$ 86,217	
Volunteers of America (40 beds)	\$ 261,954	
<b>Total</b>	<b>\$ 434,388</b>	<b>1.4%</b>
<b>AB 109 TOTAL</b>	<b>\$ 29,988,198</b>	<b>100.0%</b>
Included in the \$29.9M FY 12-13 Spending Plan are In Custody and Post Release Community Supervision Treatment and Services funded programs which include transitional housing, transportation, mental health and substance abuse treatment services, cognitive behavior therapy, psychotropic medications and monitoring, vocational, educational, and job skills development and employment assistance, GED preparation, reentry case management services, work project services, eligibility specialists and incentives.	<b>\$ 3,869,751</b>	<b>12.9%</b>

# SACRAMENTO COUNTY BUDGET COMPLIANCE WITH APPROPRIATION LIMITS

In 1979, California voters passed Proposition 4 which imposed constitutional limits on certain kinds of appropriations made from tax revenues (Article XIII B). Proposition 4 established a limit on the growth of certain appropriations based on changes in population and cost of living. In 1990, voters passed Proposition 111, which changed some of the provisions of Article XIII B.

Sacramento County's appropriation limit is established as required by Article XIII B of the State Constitution. The table below sets forth the appropriation limit and the appropriations subject to limitation.

With the adoption of the final budget, the Board of Supervisors also approves publication of the annual appropriation limit set by Article XIII B of the State Constitution. The appropriation limit is formally established by the Board of Supervisors.

SACRAMENTO COUNTY APPROPRIATION LIMIT			
	Appropriation Limit	Appropriations Subject to Limitation	Amount Under Limit
2007-08	1,630,295,501	409,499,797	1,220,795,704
2008-09	1,733,049,717	391,196,747	1,341,852,970
2009-10	1,758,616,880	371,296,728	1,387,320,152
2010-11	1,733,315,623	330,537,042	1,402,778,581
2011-12	1,763,140,317	329,776,706	1,433,363,611
2012-13 (Budget)	1,839,673,566	323,849,189	1,515,824,377

# THE COUNTY BUDGET (REQUIREMENTS) FUNCTIONS DESCRIPTIONS

## **PUBLIC ASSISTANCE:**

- Human Assistance-Administration – Social Services Department, Adoptions, Food Stamps, Veterans Service Officer.
- Human Assistance – Aid – programs.
- Other Assistance – Child Support Services.

## **HEALTH AND SANITATION:**

Health – Environmental Management, Health and Human Services, First 5 Sacramento Commission, Juvenile Medical Services, In-Home Support Services Provider Payments, Medical Treatment Payments, Correctional Health Services, Health Care/Uninsured, Office of Compliance, and Office of Inspector General.

## **ROADS:**

Public Ways and Facilities –Sacramento County Roads, Roadways, Transportation-Sales Tax, Road Construction and Maintenance and Street Lighting (if part of road construction), Rural Transit.

## **PUBLIC PROTECTION:**

- Judicial – Contribution to Law library, Court-Non-Trial Court Funding, Court-County Contribution, Conflict Criminal Defenders, Sacramento Grand Jury, Court Paid County Services, Criminal Justice Cabinet, Public Defender and District Attorney.
- Police Protection – Sheriff’s Department.
- Detention and Correction – Care In Homes and Institutions-Juvenile Court Wards, Probation, and Sheriff-Detention and Correction.
- Protective Inspection – Agricultural Commissioner and Sealer of Weights and Measures, Building Inspection.
- Other Protection – Animal Care and Regulations, Wildlife Services, Contribution to Human Rights/Fair Housing, Coroner, Dispute Resolution Program, Data Processing-Law and Justice, Contribution to Local Agency Formation Commission, Planning and Community Development, Planning Commission, Emergency Services, and County Clerk/Recorder.

## **LIBRARY, CULTURAL, AND RECREATIONAL:**

- Library – County Library Operation, Cooperative Extension.
- Cultural Services – Transient-Occupancy Tax.
- Recreation Facilities – Regional Parks, Propagation-Fish and Game, Golf.

## **GENERAL GOVERNMENT:**

- Legislative and Administrative – Board of Supervisors and Clerk of the Board, County Executive, County Executive Cabinet.
- Finance – Assessor, Department of Finance (Auditor-Controller, Treasurer, Tax Collector), Tobacco Litigation Settlement, Non-Departmental Revenues-General Fund, Non-Departmental Cost-General Fund.
- Counsel – County Counsel.
- Personnel – Civil Service Commission, Office of Labor Relations, Personnel Services.
- Elections – Voter Registration and Elections.

**GENERAL GOVERNMENT (CONT.):**

- Property Management – Veteran’s Facility.
- Plant Acquisition – Capital Construction Buildings and Libraries – budget units accounting for acquisition of land, structures, and improvements, Park Construction.
- Promotion – Economic Development, Financing Transfers/Reimbursements-General Fund, Neighborhood Services.
- Other General – Data Processing, Revenue Recovery.

**DEBT SERVICE, RESERVES, CONTINGENCIES:**

Debt Service – Teeter Plan (retirement of long-term debt, interest on long-term debt, and interest on notes and warrants).

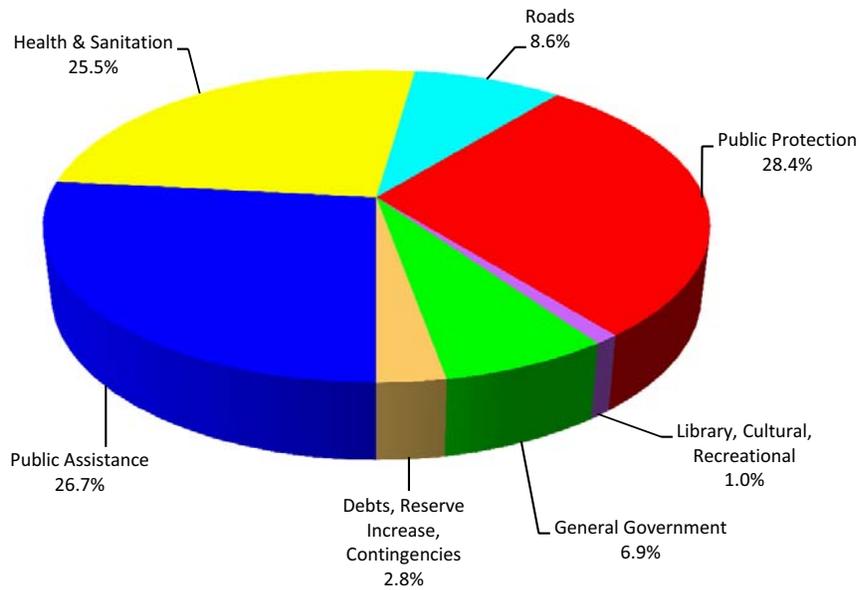
# THE COUNTY BUDGET (REQUIREMENTS)

## THE COUNTY BUDGET

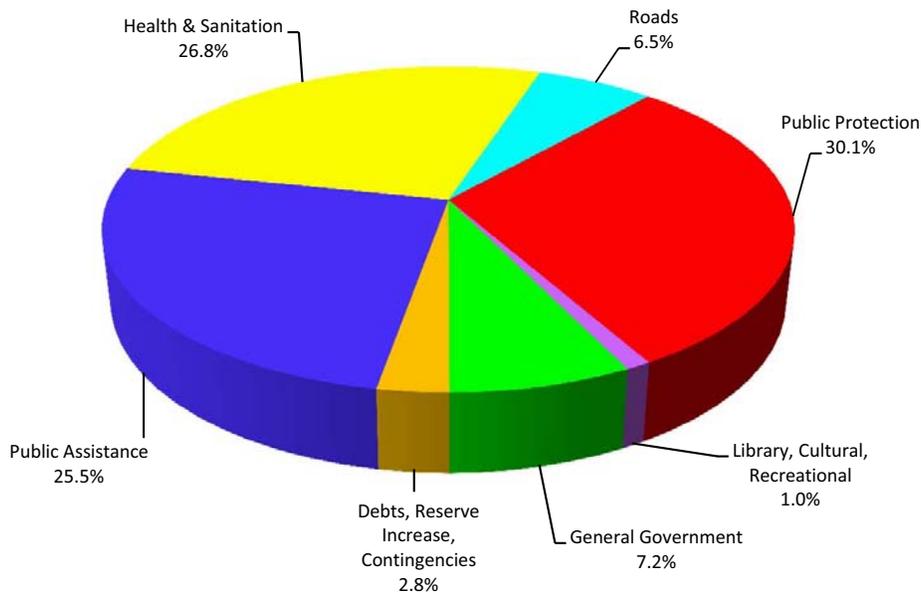
### REQUIREMENTS

(Pie Chart Amounts Expressed In Millions)

**2011-12 BUDGET TOTAL ..... \$2,383,126,250**



**2012-13 BUDGET TOTAL ..... \$2,378,212,161**



# SUMMARY TABLES FOR THE PIE CHARTS

<b><u>REQUIREMENTS</u></b>				
	<b>Fiscal Year</b>		<b>Fiscal Year</b>	
	<b>2011-12</b>	<b>Percent</b>	<b>2012-13</b>	<b>Percent</b>
Public Assistance	\$636,205,963	26.7%	\$606,542,753	25.5%
Health & Sanitation	608,621,559	25.5%	638,087,676	26.8%
Roads	205,718,299	8.6%	154,570,846	6.5%
Public Protection	677,652,147	28.4%	716,844,183	30.1%
Library, Cultural, Recreational	23,927,700	1.0%	23,766,553	1.0%
General Government	164,229,024	6.9%	171,447,756	7.2%
Debts, Reserve Increase, Contingencies	66,771,558	2.8%	66,952,394	2.8%
<b>GRAND TOTAL</b>	<b>\$ 2,383,126,250</b>	<b>100.0%</b>	<b>\$ 2,378,212,161</b>	<b>100.0%</b>
<b><u>FINANCING</u></b>				
	<b>Fiscal Year</b>		<b>Fiscal Year</b>	
	<b>2011-12</b>	<b>Percent</b>	<b>2012-13</b>	<b>Percent</b>
Taxes	\$450,743,184	18.9%	\$441,007,343	18.5%
Licenses, Permits, Franchises	36,296,083	1.5%	37,166,832	1.6%
Fines, Forfeitures, Penalties	37,582,686	1.6%	34,694,141	1.5%
Intergovernmental	1,489,660,485	62.5%	1,519,170,917	63.9%
Charges for Services	128,129,204	5.4%	118,261,531	5.0%
Other Revenues	166,888,563	7.0%	161,840,756	6.8%
Year-End Balance, Reserve Release	73,826,045	3.1%	66,070,641	2.8%
<b>GRAND TOTAL</b>	<b>\$ 2,383,126,250</b>	<b>100.0%</b>	<b>\$ 2,378,212,161</b>	<b>100.0%</b>

# THE COUNTY BUDGET

## (FINANCING) FUNCTIONS DESCRIPTIONS

### **TAXES:**

Secured Property Taxes, Unsecured Property Taxes, Current Supplemental Property Taxes, Property Tax Unitary, Property Taxes Secured Delinquent, Property Tax Supplemental Delinquent, Property Tax Prior-Unsecured, Property Taxes Redemption, Penalty/Costs-Property Taxes, Sales Use Tax, One-Half Sales Tax, Transient Occupancy Tax, Property Tax Transfer, Property Tax In Lieu of Vehicle License Fee, In Lieu Local Sales and Use Tax.

### **LICENSES, PERMITS, FRANCHISES:**

Animal Licenses, Business Licenses, Special Business Licenses, Fictitious Business Licenses, Roadway Development/Building Permits, Building Permits-Residential and Commercial, Encroachment Permits, Zoning Permits, Cable TV Franchise Fee, Franchise Fee-Other, Road Permits, Licenses/Permits-Other, Bingo License Fee.

### **FINES, FORFEITURES, PENALTIES:**

Vehicle Code Fines, Other Court Fines, Forfeitures/Penalties, Civil Penalties, Federal Asset Forfeitures, State Asset Forfeitures.

### **INTERGOVERNMENTAL:**

- Federal – Welfare Administration, Children Services Administration, Children Assistance Administration, other Welfare programs, other health programs, Planning and Construction, other miscellaneous programs.
- State – Cigarette Tax Unincorporated Area, Highway User Tax, Homeowner's Property Tax Relief, Motor Vehicle In Lieu Tax, Welfare, Welfare Administration, CALWIN, COPS, VHL mental health, Agriculture, Construction, Public Safety, Veterans Affairs, Trial Court, Health Administration, Services Program, Children's Assistance, other Welfare programs, other health programs, Realignment, Redevelopment pass through, revenue neutrality payments, other miscellaneous programs.

### **CHARGES FOR SERVICES:**

Special Assessments, Civil Filings Fees, Vital Statistic Fees, Adoption Fees, Candidate Filing Fees, Civil Process Service Fees, Civil/Small Claims Filing Fees, Estate/Public Administration Fees, Recording Fees, Electricity Services Charges, Natural Gas Services Charges, Assessing/Collecting Fees, Auditing/Accounting Fees, Court/Legal Fees, Court Reporter Fees, Election Service Charges, Planning Service Charges, Planning/Engineering-Plan Check and Inspection Fees, Jail Booking Fees, Recreation Service Charges, Copying Charges, Building Maintenance Service Charges, Park/Grounds Maintenance Service Charges, Road Maintenance Service Charges, Crippled Children Treatment Charges, Medical Care-Indigent and Private Patient Charges, Medical Health Private Patient Charges, Alcoholism Services-Client Fees, Medical Care-Other, Institutional Care-Adult-Juvenile-State Institution Prisoner Charges, Work Furlough Charges, Data Processing Services, Auditor-Controller Services, Public Works Services, Leased Property Use Charges, Education/Training Charges, Cemetery Services, Humane Service, Law Enforcement Services, Milk Inspection Services, Service Fees/Charges-Other.

### **OTHER REVENUES:**

- Use of Money and Property – Interest Income, Contributions, Building Rental-Other, Agricultural Leases-Other, Aviation Ground Leases, Ground Leases-Other, Food Service Concessions, Fuel Flowage Fees, Recreational Concession, Other Vending Devices.

**OTHER REVENUES (CONT.):**

- Miscellaneous Revenues – Countywide Cost Plan, Sales-Other, Cash Overages, Bad Debt Recovery, Aid Payment Recoveries, TRANS (Short Term Anticipation Notes)
- Reimbursement, Donations and Contributions, Electricity Resales, Insurance Proceeds, Revenue-Other, Assessment Fees, Child Support Recoveries, In-Kind Revenues, Prior Year Revenues.
- Other Financing Revenues – Sale of Real Property, Proceeds from Asset Sales-Other, Gain on Sale of Fixed Asset, Debt issue Financing, Vending Card Revenue, Medical Fee Collections.

**YEAR-END BALANCE, RESERVE RELEASE:**

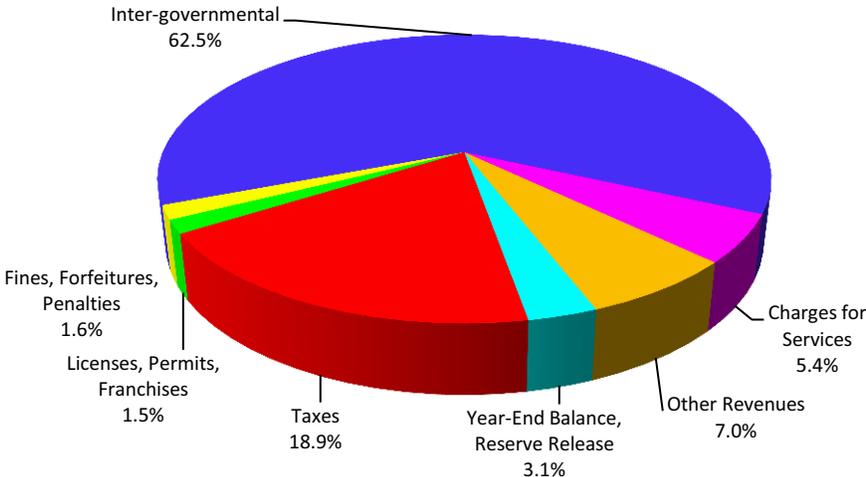
Prior-Year Carryover/Fund Balance, Reserve Release.

# THE COUNTY BUDGET (FINANCING)

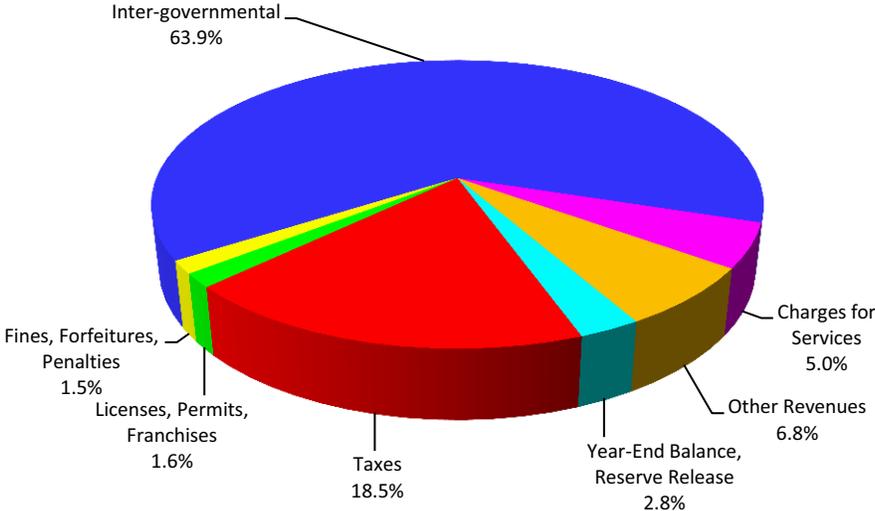
## THE COUNTY BUDGET FINANCING

(Pie Chart Amounts Expressed In Millions)

**2011-12 BUDGET TOTAL .....**  
**\$2,383,126,250**



**2012-13 BUDGET TOTAL .....** **\$2,378,212,161**



# SUMMARY OF FUND BALANCES

Fund Description	Fund Number	Adopted 2011-12	Adopted 2012-13	Variance	Percent
GENERAL	001A	9,403,535	18,247,654	8,844,119	94.1%
FISH AND GAME	002A	9,245	10,583	1,338	14.5%
HEALTH CARE/UNINSURED	004A	-30	0	30	-100.0%
ROAD	005A	9,784,733	-3,078,546	-12,863,279	-131.5%
PARKS CONSTRUCTION	006A	-646,267	1,205,374	1,851,641	-286.5%
CAPITAL CONSTRUCTION	007A	3,510,188	-471,816	-3,982,004	-113.4%
TOBACCO LITIGATION SETTLEMENT	008A	337,954	1,938,449	1,600,495	473.6%
ENVIRONMENTAL MANAGEMENT	010B	786,435	2,817,536	2,031,101	258.3%
LIBRARY	011A	413,073	186,320	-226,753	-54.9%
FIRST 5 SACRAMENTO COMMISSION	013A	10,643,348	11,149,134	505,786	4.8%
TRANSIENT OCCUPANCY	015A	208,205	-178,334	-386,539	-185.7%
TEETER PLAN	016A	5,393,384	5,638,584	245,200	4.5%
GOLF	018A	-1,218,554	-930,379	288,175	-23.6%
ECONOMIC DEVELOPMENT	020A	11,977,114	13,799,800	1,822,686	15.2%
BUILDING INSPECTION	021A	1,901,195	3,732,324	1,831,129	96.3%
ROADWAYS	025A-H	5,237,817	2,641,711	-2,596,106	-49.6%
TRANSPORTATION-SALES TAX	026A	-4,615,502	-856,096	3,759,406	-81.5%
SOLID WASTE ENTERPRISE	051A	7,397,299	4,057,987	-3,339,312	-45.1%
SOLID WASTE ENTERPRISE-CAPITAL OUTLAY	052A	6,571,773	3,539,670	-3,032,103	-46.1%
RURAL TRANSIT	068A	-1,687,320	-1,753,598	-66,278	3.9%
ANTELOPE PUBLIC FACILITIES FINANCING	101A-E	2,874,396	2,659,454	-214,942	-7.5%
LAGUNA CRK/ELLIOTT RCH CFD 1	105A/C	2,584,628	2,312,990	-271,638	-10.5%
LAGUNA COMMUNITY FACILITY DISTRICT	107A-B	1,260,912	1,228,907	-32,005	-2.5%
VINEYARD PFFP - ROADWAYS	108A-B	7,726,598	7,923,817	197,219	2.6%
BRADSHAW/US 50 FINANCING DISTRICT	115A	170,900	140,910	-29,990	-17.5%
FLORIN ROAD CAPITAL PROJECT	118A	423,321	420,502	-2,819	-0.7%
FULTON AVENUE CAPITAL PROJECT	118B	31,897	27,558	-4,339	-13.6%
LAGUNA STONELAKE CFD-BOND PROCEEDS	130A	96,228	99,990	3,762	3.9%
PARK MEADOWS CFD-BOND PROCEEDS	131A	111,606	85,832	-25,774	-23.1%
MATHER LANDSCAPE MAINT CFD	132A	293,024	379,895	86,871	29.6%
MATHER PFFP	136A-B	1,223,322	2,377,612	1,154,290	94.4%
GOLD RIVER STATION #7 LANDSCAPE CFD	137A	44,505	6,230	-38,275	-86.0%
METRO AIR PARK CFD 2000-1	139A	8,833,597	6,150,808	-2,682,789	-30.4%
MCCLELLAN PARK CFD	140A	1,153,895	146,766	-1,007,129	-87.3%
SACRAMENTO CO LANDSCAPE MAINT	141A	229,771	162,962	-66,809	-29.1%
METRO AIR PARK SERVICE TAX	142A	644,127	645,341	1,214	0.2%
NORTH VINEYARD STATION SPECIFIC PLAN	143A	676,227	1,137,219	460,992	68.2%
NORTH VINEYARD STATION SPECIFIC PLAN CFD	144A	1,581,805	1,601,522	19,717	1.2%
NATOMAS FIRE DISTRICT	229A	129,235	1,743,578	1,614,343	1249.2%
CSA NO. 1	253A	228,949	555,354	326,405	142.6%
CSA NO. 10	257A	19,545	15,171	-4,374	-22.4%
FIXED ASSET REVOLVING	277A	300,898	-265,062	-565,960	-188.1%
JUVENILE COURTHOUSE PROJECT-DEBT SERVICE	280A	44,165	60,126	15,961	36.1%
2004 PENSION OBLIGATION BONDS	282A	3,066,535	1,358,874	-1,707,661	-55.7%
TOBACCO LITIGATION SETTLEMENT-CAPITAL PROJECTS	284A	21,700,861	13,268,476	-8,432,385	-38.9%
CAPITAL PROJECTS-DEBT SERVICE	287A	0	0	0	
1997-PUBLIC FACILITIES DEBT SERVICE	288A	777,701	417,793	-359,908	-46.3%
JAIL DEBT SERVICE	292A	0	0	0	
2003 PUBLIC FACILITES PROJ-DEB SERVICE	298A	44,571	55,799	11,228	25.2%
2010 REFUNDING COPS-DEBT SERVICE	300A	260,486	250,252	-10,234	-3.9%
2010 REFUNDING COPS-PARKING GARAGE-DEBT SERVICE	300B	58,763	69,225	10,462	

**GENERAL BUDGET  
INFORMATION**

**SUMMARY OF FUND BALANCES**

<b>Fund Description</b>	<b>Fund Number</b>	<b>Adopted 2011-12</b>	<b>Adopted 2012-13</b>	<b>Variance</b>	<b>Percent</b>
2007 PUBLIC FACILITIES PROJECTS-CONSTRUCTION	303A	4,899,072	889,018	-4,010,054	-81.9%
2007 PUBLIC FACILITIES PROJECTS-DEBT SERVICE	304A	303,401	301,221	-2,180	-0.7%
2006 PUBLIC FACILITIES-DEBT SVC	306A	2,624,875	334,680	-2,290,195	-87.2%
1997-PUBLIC FACILITIES DEBT SERVICE	308A	507,247	341,038	-166,209	-32.8%
1997-PUBLIC FACILITIES-CONSTRUCTION	309A	553,981	548,561	-5,420	-1.0%
PENSION BOND-INT RATE STABILIZATION	311A	103,218	67,535	-35,683	-34.6%
PENSION OBLIGATION BOND-DEBT SERVICE	313A	7,874,308	1,730,520	-6,143,788	-78.0%
WATER AGENCY-ZONE 11A	315A	7,726,740	4,026,980	-3,699,760	-47.9%
WATER AGENCY-ZONE 13	318A	1,532,862	935,518	-597,344	-39.0%
STORMWATER UTILITY DISTRICT	322A	7,225,900	25,955,544	18,729,644	259.2%
LANDSCAPE MAINTENANCE DISTRICT	330A	94,286	124,583	30,297	32.1%
MISSION OAKS PARK DISTRICT	336A	849,702	1,035,239	185,537	21.8%
MISSION OAKS MAINT & IMPROVEMENT ASSESSMENT DISTRICT	336B	660,734	670,814	10,080	1.5%
CARMICHAEL PARK DISTRICT	337A	118,891	420,108	301,217	253.4%
SUNRISE PARK DISTRICT	338A	1,764,739	1,036,062	-728,677	-41.3%
ANTELOPE ASSESSMENT	338B	811,432	30,999	-780,433	-96.2%
DEL NORTE OAKS PARK DISTRICT	351A	1,553	384	-1,169	-75.3%
COUNTY SERVICE AREA 4B	560A	46,734	41,698	-5,036	-10.8%
COUNTY SERVICE AREA 4C	561A	23,277	-6,040	-29,317	-125.9%
COUNTY SERVICE AREA 4D	562A	1,211	8	-1,203	-99.3%
COUNTY PARKS CFD 2006-1	563A	1,686	1,907	221	13.1%
<b>TOTAL</b>		<b>159,725,942</b>	<b>145,220,635</b>	<b>-14,505,307</b>	<b>-9.1%</b>

# RELATIONSHIP BETWEEN FUNDS, BUDGET UNITS AND DEPARTMENTS

Fund	Fund Name	Budget Unit	Department
001A	GENERAL FUND	3210000	AG COMMISSIONER-SEALER OF WEIGHTS & MEASURES
001A	GENERAL FUND	3220000	ANIMAL CARE AND REGULATION
001A	GENERAL FUND	5980000	APPROPRIATION FOR CONTINGENCY
001A	GENERAL FUND	3610000	ASSESSOR
001A	GENERAL FUND	4050000	BOARD OF SUPERVISORS
001A	GENERAL FUND	6760000	CARE IN HOMES AND INSTITUTIONS
001A	GENERAL FUND	5810000	CHILD SUPPORT SERVICES
001A	GENERAL FUND	4210000	CIVIL SERVICE COMMISSION
001A	GENERAL FUND	4010000	CLERK OF THE BOARD
001A	GENERAL FUND	5720000	COMMUNITY DEVELOPMENT
001A	GENERAL FUND	5510000	CONFLICT CRIMINAL DEFENDERS
001A	GENERAL FUND	4660000	CONTRIBUTION TO HUMAN RIGHTS/FAIR HOUSING
001A	GENERAL FUND	5920000	CONTRIBUTION TO LAFCO
001A	GENERAL FUND	4650000	CONTRIBUTION TO PARATRANSIT
001A	GENERAL FUND	4522000	CONTRIBUTION TO THE LAW LIBRARY
001A	GENERAL FUND	3310000	COOPERATIVE EXTENSION
001A	GENERAL FUND	4610000	CORONER
001A	GENERAL FUND	7410000	CORRECTIONAL HEALTH SERVICES
001A	GENERAL FUND	3240000	COUNTY CLERK/RECORDER
001A	GENERAL FUND	4810000	COUNTY COUNSEL
001A	GENERAL FUND	5910000	COUNTY EXECUTIVE
001A	GENERAL FUND	5730000	COUNTY EXECUTIVE CABINET
001A	GENERAL FUND	5040000	COURT / COUNTY CONTRIBUTION
001A	GENERAL FUND	5020000	COURT / NON-TRIAL COURT FUNDING
001A	GENERAL FUND	5050000	COURT PAID COUNTY SERVICES
001A	GENERAL FUND	5750000	CRIMINAL JUSTICE CABINET
001A	GENERAL FUND	5710000	DATA PROCESSING-SHARED SYSTEMS
001A	GENERAL FUND	3230000	DEPARTMENT OF FINANCE
001A	GENERAL FUND	6110000	DEPARTMENT OF REVENUE RECOVERY
001A	GENERAL FUND	5520000	DISPUTE RESOLUTION PROGRAM
001A	GENERAL FUND	5800000	DISTRICT ATTORNEY
001A	GENERAL FUND	7090000	EMERGENCY OPERATIONS
001A	GENERAL FUND	5690000	ENVIRONMENTAL REVIEW AND ASSESSMENT
001A	GENERAL FUND	5110000	FINANCING-TRANSFERS/REIMBURSEMENTS
001A	GENERAL FUND	5660000	GRAND JURY
001A	GENERAL FUND	7200000	HEALTH AND HUMAN SERVICES
001A	GENERAL FUND	7270000	HEALTH-MEDICAL TREATMENT PAYMENTS
001A	GENERAL FUND	8100000	HUMAN ASSISTANCE-ADMINISTRATION
001A	GENERAL FUND	8700000	HUMAN ASSISTANCE-AID PAYMENTS
001A	GENERAL FUND	7250000	IN-HOME SUPPORT SERVICES (IHSS) PROVIDER PAYMENTS
001A	GENERAL FUND	7230000	JUVENILE MEDICAL SERVICES
001A	GENERAL FUND	5970000	LABOR RELATIONS
001A	GENERAL FUND	5760000	NEIGHBORHOOD SERVICES
001A	GENERAL FUND	5770000	NON-DEPARTMENTAL COSTS/GENERAL FUND
001A	GENERAL FUND	5700000	NON-DEPARTMENTAL REVENUES/GENERAL FUND
001A	GENERAL FUND	5740000	OFFICE OF COMPLIANCE
001A	GENERAL FUND	5780000	OFFICE OF INSPECTOR GENERAL
001A	GENERAL FUND	6050000	PERSONNEL SERVICES
001A	GENERAL FUND	6610000	PLANNING AND COMMUNITY DEVELOPMENT
001A	GENERAL FUND	6700000	PROBATION
001A	GENERAL FUND	6910000	PUBLIC DEFENDER
001A	GENERAL FUND	6400000	REGIONAL PARKS
001A	GENERAL FUND	7400000	SHERIFF
001A	GENERAL FUND	2820000	VETERAN'S FACILITY
001A	GENERAL FUND	4410000	VOTER REGISTRATION AND ELECTIONS
001A	GENERAL FUND	3260000	WILDLIFE SERVICES
002A	FISH AND GAME	6460000	FISH AND GAME PROPAGATION
004A	HEALTH CARE/UNINSURED	8900000	HEALTH CARE / UNINSURED
005A	ROAD	2900000	ROADS
006A	PARKS CONSTRUCTION	6570000	PARK CONSTRUCTION
007A	CAPITAL CONSTRUCTION	3100000	CAPITAL CONSTRUCTION
008A	TOBACCO LITIGATION SETTLEMENT	7220000	TOBACCO LITIGATION SETTLEMENT
010B	ENVIRONMENTAL MANAGEMENT	3350000	ENVIRONMENTAL MANAGEMENT
011A	LIBRARY	6310000	COUNTY LIBRARY
013A	FIRST 5 SACRAMENTO COMMISSION	7210000	FIRST 5 SACRAMENTO COMMISSION
015A	TRANSIENT OCCUPANCY	4060000	TRANSIENT-OCCUPANCY TAX
016A	TEETER PLAN	5940000	TEETER PLAN
018A	GOLF	6470000	GOLF
020A	ECONOMIC DEVELOPMENT	3870000	ECONOMIC DEVELOPMENT

# GENERAL BUDGET INFORMATION

# RELATIONSHIP BETWEEN FUNDS, BUDGET UNITS AND DEPARTMENTS

Fund	Fund Name	Budget Unit	Department
021A	BUILDING INSPECTION	2150000	BUILDING INSPECTION
025A	ROADWAYS	2910000	ROADWAYS
026A	TRANSPORTATION-SALES TAX	2140000	TRANSPORTATION-SALES TAX
028A	CONNECTOR JOINT POWERS AUTHORITY	2800000	CONNECTOR JOINT POWERS AUTHORITY
030A	INTERAGENCY PROCUREMENT	9030000	INTERAGENCY PROCUREMENT
031A	OFFICE OF COMMUNICATION AND INFORMATION TECHNOLOGY	7600000	DEPARTMENT OF TECHNOLOGY
032C	REAL ESTATE DIVISION	7930000	REAL ESTATE DIVISION
033A	PUBLIC WORKS-OPERATIONS	2700000	MUNICIPAL SERVICES (MS)-ADMINISTRATIVE SERVICES
033A	PUBLIC WORKS-OPERATIONS	2420000	MS-ARCHITECTURAL SERVICES
033A	PUBLIC WORKS-OPERATIONS	2400000	MS-BUILDING AND CODE ENFORCEMENT DEPARTMENT
033A	PUBLIC WORKS-OPERATIONS	2470000	MS-CONSOLIDATED UTILITIES BILLING SERVICES
033A	PUBLIC WORKS-OPERATIONS	2300000	MS-CONSTRUCTION MANAGEMENT
033A	PUBLIC WORKS-OPERATIONS	2450000	MS-DEVELOPMENT & SURVEYOR SERVICES
033A	PUBLIC WORKS-OPERATIONS	2600000	MS-TRANSPORTATION
034A	GENERAL SERVICES-CAPITAL OUTLAY	2070000	GENERAL SERVICES (GS)-CAPITAL OUTLAY
035C	ADMINISTRATIVE SERVICES-GS	7110000	GENERAL SERVICES-OFFICE OF THE DIRECTOR
035F	BUILDING MAINTENANCE AND OPERATIONS-GS	7007440	GENERAL SERVICES-AIRPORT DISTRICT
035F	BUILDING MAINTENANCE AND OPERATIONS-GS	7007420	GENERAL SERVICES-BRADSHAW DISTRICT
035F	BUILDING MAINTENANCE AND OPERATIONS-GS	7007430	GENERAL SERVICES-DOWNTOWN DISTRICT
035F	BUILDING MAINTENANCE AND OPERATIONS-GS	7007046	GENERAL SERVICES-ENERGY MANAGEMENT
035F	BUILDING MAINTENANCE AND OPERATIONS-GS	7450000	GENERAL SERVICES-SECURITY SERVICES
035H	CONTRACT & PURCHASING SERVICES-GS	7007063	GENERAL SERVICES-PURCHASING
035J	GENERAL SERVICES-SUPPORT SERVICES	7700000	GENERAL SERVICES-SUPPORT SERVICES
035K	GENERAL SERVICES-REAL ESTATE	7007030	GENERAL SERVICES-REAL ESTATE
035L	GENERAL SERVICES-LIGHT EQUIPMENT	7007500	GENERAL SERVICES-LIGHT EQUIPMENT
035M	FLEET SERVICES HEAVY EQUIP	7007600	GENERAL SERVICES-HEAVY EQUIPMENT
037A	LIABILITY PROPERTY INSURANCE	3910000	LIABILITY PROPERTY INSURANCE
039A	WORKERS COMPENSATION INSURANCE	3900000	WORKERS COMPENSATION INSURANCE
040A	UNEMPLOYMENT INSURANCE	3930000	UNEMPLOYMENT INSURANCE
041A-045A	AIRPORT MAINTENANCE	3400000	AIRPORT SYSTEM
043A	AIRPORT CAPITAL IMPROVEMENT	3480000	AIRPORT SYSTEM-CAPITAL OUTLAY
051A	SOLID WASTE OPERATIONS	2200000	SOLID WASTE ENTERPRISE
052A	SOLID WASTE CAPITAL	2250000	SOLID WASTE ENTERPRISE-CAPITAL OUTLAY
056A	PARKING ENTERPRISE	7990000	PARKING ENTERPRISE
059A	REGIONAL RADIO COMMUNICATIONS SYSTEM	7020000	REGIONAL RADIO COMMUNICATIONS SYSTEM
060B	BOARD OF RETIREMENT	7860000	BOARD OF RETIREMENT
068A	PUBLIC WORKS TRANSIT PROGRAM	2930000	RURAL TRANSIT
101A	ANTELOPE PUBLIC FACILITIES FINANCING	3070000	ANTELOPE PUBLIC FACILITIES FINANCING PLAN (PFFP)
105A	LAGUNA CREEK/ELLIOTT RANCH CFD	2870000	LAGUNA CREEK/ELLIOTT RANCH COMMUNITY FACILITIES DISTRICT (CFD) NO. 1
107A	LAGUNA COMMUNITY FACILITY DISTRICT	3090000	LAGUNA COMMUNITY FACILITY DISTRICT
108A	VINEYARD PFFP - ROADWAYS	2840000	VINEYARD PUBLIC FACILITIES FINANCING PLAN
115A	BRADSHAW/US 50 FINANCING DISTRICT	3081000	BRADSHAW/US 50 FINANCING DISTRICT
118A	FLORIN ROAD CAPITAL PROJECT	1182880	FLORIN ROAD CAPITAL PROJECT
118B	FULTON AVENUE CAPITAL PROJECT	1182881	FULTON AVENUE CAPITAL PROJECT
130A	LAGUNA STONELAKE CFD-BOND PROCEEDS	1300000	LAGUNA STONELAKE CFD
131A	PARK MEADOWS CFD-BOND PROCEEDS	1310000	PARK MEADOWS CFD-BOND PROCEEDS
132A	MATHER LANDSCAPE MAINTENANCE CFD	1320000	MATHER LANDSCAPE MAINTENANCE CFD
136A	MATHER PFFP	1360000	MATHER PFFP
137A	GOLD RIVER STATION #7 LANDSCAPE CFD	1370000	GOLD RIVER STATION #7
139A	METRO AIR PARK CFD 2000-1	1390000	METRO AIR PARK
140A	MCCLELLAN CFD 2004-1	1400000	MCCLELLAN PARK CFD
141A	SACRAMENTO CO LANDSCAPE MAINTENANCE	1410000	SACRAMENTO COUNTY LANDSCAPE MAINTENANCE
142A	METRO AIR PARK SERVICE TAX	1420000	METRO AIR PARK SERVICE TAX
143A	NVSSP-ROADWAY	1430000	NORTH VINEYARD STATION SPECIFIC PLAN (NVSSP)
144A	NVSSP CFD 2005-2-ADMIN	1440000	NORTH VINEYARD STATION SPECIFIC PLAN CFD
229A	NATOMAS FIRE DISTRICT	2290000	NATOMAS FIRE DISTRICT
253A	CSA NO. 1	2530000	COUNTY SERVICE AREA (CSA) NO. 1
257A	CSA NO. 10	2857000	CSA NO. 10
261A	REGIONAL SANITATION DISTRICT	3028000	REGIONAL SANITATION DISTRICT
267A	SACRAMENTO AREA SEWER OPERATIONS	3005000	SACRAMENTO AREA SEWER OPERATIONS
277A	FIXED ASSET REVOLVING	9277000	FIXED ASSET REVOLVING
280A	JUVENILE COURTHOUSE PROJECT-DEBT SERVICE	9280000	JUVENILE COURTHOUSE-DEBT SERVICE
282A	2004 PENSION OBLIGATION BOND-DEBT SERVICE	9282000	2004 PENSION OBLIGATION BONDS
284A	TOBACCO LITIGATION SETTLEMENT-CAPITAL PROJECTS	9284000	TOBACCO LITIGATION SETTLEMENT-CAPITAL PROJECTS
287A	CAPITAL PROJECTS-DEBT SERVICE	9287000	CAPITAL PROJECTS-DEBT SERVICE
288A	1997-REFUNDING PUBLIC FACILITIES DEBT SERVICE	9288000	1997-REFUNDING PUBLIC FACILITIES DEBT SERVICE
292A	JAIL DEBT SERVICE	2920000	JAIL DEBT SERVICE
298A	2003 PUBLIC FACILITIES PROJ-DEBT SERVICE	9298000	2003 PUBLIC FACILITIES-DEBT SERVICE

# GENERAL BUDGET INFORMATION

# RELATIONSHIP BETWEEN FUNDS, BUDGET UNITS AND DEPARTMENTS

<b>Fund</b>	<b>Fund Name</b>	<b>Budget Unit</b>	<b>Department</b>
300A	2010 REFUNDING COPS-DEBT SERVICE	9300000	2010 REFUNDING COPS-DEBT SERVICE
300B	2010 REFUNDING COPS-PG-DEBT SERVICE	9300500	2010 REFUNDING COPS PARKING GARAGE-DEBT SERVICE
303A	2007 PUBLIC FACILITIES PROJ-CONSTRUCTION	9303303	2007 PUBLIC FACILITIES PROJECT-CONSTRUCTION
304A	2007 PUBLIC FACILITIES PROJ-DEBT SERVICE	9304304	2007 PUBLIC FACILITIES PROJECT-DEBT SERVICE
306A	2006 PUBLIC FACILITIES PROJ-DEBT SERVICE	9306306	2006 PUBLIC FACILITIES-DEBT SERVICE
308A	1997-PUBLIC FACILITIES DEBT SERVICE	3080000	1997-PUBLIC FACILITIES-DEBT SERVICE
309A	1997-PUBLIC FACILITIES-CONSTRUCTION	9309000	1997-PUBLIC FACILITIES-CONSTRUCTION
311A	PENSION BOND-INTEREST RATE STABILIZATION	9311000	PENSION OBLIGATION BOND-INTEREST RATE STABILIZATION
313A	PENSION OBLIGATION BOND-DEBT SERVICE	9313000	PENSION OBLIGATION BOND-DEBT SERVICE
314A	BEACH STONE LAKE FLOOD MITIGATION	2814000	BEACH STONE LAKES FLOOD MITIGATION
315A	WATER AGENCY-ZONE 11-DRAINAGE INFRASTRUCTURE	2810000	WATER AGENCY ZONE 11-DRAINAGE INFRASTRUCTURE
315A	WATER AGENCY-ZONE 11A	2815000	WATER AGENCY-ZONE 11A
315B	WATER AGENCY-ZONE 11B	2816000	WATER AGENCY-ZONE 11B
315C	WATER AGENCY-ZONE 11C	2817000	WATER AGENCY-ZONE 11C
318A	WATER AGENCY-ZONE 13	3044000	WATER AGENCY-ZONE 13
320A	WATER AGENCY ENTERPRISE	3050000	WATER AGENCY ENTERPRISE
322A	WATER RESOURCES	3220001	WATER RESOURCES
325A	SACRAMENTO AREA FLOOD CONTROL AGENCY	3252660	DEPARTMENT OF FLOOD MANAGEMENT
330A	SACRAMENTO CO LANDSCAPE MAINTENANCE	3300000	LANDSCAPE MAINTENANCE DISTRICT
336A	MISSION OAKS PARK DISTRICT	9336100	MISSION OAKS RECREATION AND PARK DISTRICT
336B	MISSION OAKS MAINTENANCE & IMPROVEMENT ASSESSMENT DISTRICT	9336001	MISSION OAKS MAINTENANCE/IMPROVEMENT DISTRICT
337A	CARMICHAEL PARK DISTRICT	9337000	CARMICHAEL RECREATION AND PARK DISTRICT
338A	SUNRISE PARK DISTRICT	9338000	SUNRISE RECREATION AND PARK DISTRICT
338B	ANTELOPE ASSESSMENT	9338001	ANTELOPE ASSESSMENT
351A	DEL NORTE OAKS PARK DISTRICT	3516494	DEL NORTE OAKS PARK DISTRICT
560A	COUNTY SERVICE AREA 4B	6491000	CSA NO.4B-(WILTON-COSUMNES)
561A	COUNTY SERVICE AREA 4C	6492000	CSA NO.4C-(DELTA)
562A	COUNTY SERVICE AREA 4D	6493000	CSA NO.4D-(HERALD)
563A	COUNTY PARKS CFD 2006-1	6494000	COUNTY PARKS CFD 2006-1

# DESCRIPTION OF COUNTY FUNDS

## **GENERAL FUND 001:**

The principal fund of the County, and is used to account for all activities of the County not included in other specified funds. It also accounts for most general government activities.

## **SPECIAL REVENUE FUNDS:**

- Fish and Game Propagation Fund 002 – Accounts for activities related to fish and game, including education.
- Health Care/Uninsured Fund 004 – Accounts for addressing health care problems of the uninsured county residents.
- Road Fund 005 – Accounts for Sacramento County road activities in the unincorporated area, including design, construction, and maintenance of roads, traffic signals, other right-of-way, safety-related road improvement projects, and the Radar/Speed Control program.
- Tobacco Litigation Settlement Fund 008 – Accounts for the Tobacco Litigation Settlement revenues for programs related to health, youth and tobacco prevention.
- Environmental Management Fund 010 – Accounts for revenues and expenditures for public health and environmental regulatory services of water, food, and hazardous materials.
- Library Fund 011 – Accounts for the County's share of revenue and operating transfer to Library Joint Powers Authority (JPA).
- First 5 Sacramento Commission Fund 013 – Accounts for funds received from State of California from Proposition 10.
- Transient-Occupancy Tax Fund 015 – Accounts for the revenues generated from a transient-occupancy tax of twelve percent of the rent charged at hotels, motels, and similar structures for short-term lodging. Expenditures from this fund are for artistic, musical, cultural, civic and other activities, which enhance the image of the community.
- Golf Fund 018 – Includes the costs of operating, maintaining and improving the county's three golf courses. The major sources of funding are greens fees and concession payments. There is no General Fund subsidy and fully reimburses the General Fund for overhead and support services.
- Economic Development and Intergovernmental Affairs Fund 020 – Accounts for assistance to employers and to help attract and retain jobs in the county and region. The Department also engages in more general economic development and job creation programs.
- Building Inspection Fund 021 – Accounts for building inspection and code enforcement services to the unincorporated area of the County.
- Roadways Fund 025 – Accounts for public road improvements with several geographical districts in response to land use development decisions.
- Transportation Sales Tax Fund 026 – Accounts for the public road improvements in the unincorporated area of the County, which are funded from the Measure A Transportation Sales Tax.
- Rural Transit Fund 068 – Accounts for operations of the South County Transit Program.

**CAPITAL PROJECT FUNDS:**

- Park Construction Fund 006 – Accounts for the acquisition, development and improvement of county park properties.
- Capital Construction Fund 007 – Accounts for general capital outlay expenditures of the County.

**DEBT SERVICE FUNDS:**

Teeter Plan Fund 016 – Services the debt associated with the County purchases of delinquent recurrent property taxes receivables under the Alternative Method of Tax Apportionment, the “Teeter Plan”.

**INTERNAL SERVICE FUNDS:**

- Interagency Procurement Fund 030 – Accounts for a comprehensive approach to providing for and financing public facilities and major infrastructure assets within the County.
- Office of Communications and Information Technology Fund 031 – Accounts for central telecommunication and data processing support to county departments.
- Real Estate Division Fund 032 – Accounts for real estate services for County departments and Special District public infrastructure and facility projects.
- Public Works Fund 033 – Accounts for special services provided by the Municipal Services Agency to other County departments and special districts. These services include Special District Formation, Highways and Bridges, Architectural, Development and Surveyor, Information and Permits, Consolidated Utilities Billing, Technical Services and Construction Management.
- General Services Funds 034 and 035 – Created to centralize many of the activities providing services to County departments. These activities include Automobile Fleet Operations, Purchasing, Printing, Mail, Central Stores, Surplus Property Disposal, and Building Maintenance and Operations.
- Liability/Property Self-Insurance Fund 037 – Accounts for the County’s program of self-insurance for liability/property perils.
- Workers’ Compensation Self-Insurance Fund 039 – Accounts for the County’s self-insurance of all workers’ compensation claims.
- Unemployment Self-Insurance Fund 040 – Accounts for the County’s self-insurance of all unemployment claims.
- Regional Radio Communications System Fund 059 – Accounts for the operations of the County’s emergency communications function.
- Board of Retirement Fund 060 – Accounts for activities related to the management of the Sacramento County Employees’ Retirement System.

**ENTERPRISE FUNDS:**

- Airport System Funds 041, 042, 043, 044, 045 – Accounts for the operations of the Airport Department, including the Metro, Executive, and Franklin Airports, and Mather Airfield.
- Solid Waste Enterprise Funds 051 and 052 – Accounts for the costs of the refuse collection business, including the refuse disposal site and transfer locations.
- Parking Enterprise Fund 056 – Accounts for all downtown parking facilities, which generate revenues from user fees from both the public and county employees.

**ENTERPRISE FUNDS (cont.) :**

- Water Agency Enterprise Fund 320 – Accounts for operations of the Water Agency Supply Division, which generate revenues from developer fees and businesses and individuals that purchase water from the Water Agency.

**SPECIAL DISTRICTS AND OTHER AGENCIES FUNDS:**

- Connector Joint Powers Authority Fund 028 – Accounts for the operations of the proposed Capital SouthEast Connector. Only the salary and benefit appropriations are reflected in the County budget document.
- Antelope Public Facilities Financing Plan Fund 101 – Accounts for public facilities in the Antelope area including construction of roadway, park, fire protection facilities, and storm drainage and water supply mitigation measures.
- Laguna Creek/Elliott Ranch Community Facilities District (CFD) Number 1 Fund 105 – Accounts for construction activity in the Laguna Creek Ranch/Elliott Ranch Community Facilities District.
- Laguna Community Facility District Fund 107 – Accounts for construction activity in the Laguna Community Facilities District.
- Vineyard Public Facilities Financing Plan (PFFP) Fund 108 – Accounts for portions of major public infrastructure necessary for the Vineyard area to urbanize including construction of major freeway interchanges, roadways, public transit, library, community center and park facilities.
- Bradshaw/US 50 Financing District Fund 115 – Accounts for portions of major infrastructure necessary for Sacramento County residents, local employees, and business customers to efficiently utilize transportation facilities in the Bradshaw Road and US 50 areas.
- Florin Road/Fulton Avenue Capital Projects Fund 118 – Accounts for services and enhancements in the Florin Road and Fulton Avenue areas.
- Laguna Stonelake CFD Fund 130 – Accounts for portions of the public infrastructure and public facilities necessary to urbanize the Laguna Stonelake area including construction of roadway, drainage, sewer, water, library, and park and fire protection facilities.
- Park Meadows CFD-Bond Proceeds Fund 131 – Accounts for the necessary acquisition and construction of West Stockton Boulevard.
- Mather Landscape Maintenance CFD Fund 132 – Accounts for landscape maintenance and installation services associated with the Independence at Mather residential subdivision.
- Mather PFFP Fund 136 – Accounts for portions of the major public infrastructure roadway facilities necessary for the Mather area to develop.
- Gold River Station Number 7 Fund 137 – Accounts for landscape maintenance services associated with the Gold River Station Number 7 Landscape CFD.
- Metro Air Park Fund 139 – Accounts for construction activity in the Metro Air Park Community Facilities District.
- McClellan Park CFD Fund 140 – Accounts for portions of the public infrastructure and public facilities necessary for the reuse of McClellan Park CFD including construction of roadway, drainage, sewer and landscape facilities.

**SPECIAL DISTRICTS AND OTHER AGENCIES FUNDS (cont.) :**

- Sacramento County Landscape Maintenance Fund 141 – Accounts for landscape maintenance services associated with the Sacramento County Landscape Maintenance Community Facilities District including the installation, maintenance, repair and replacement of landscape facilities within the boundaries of the District.
- Metro Air Park Service Tax Fund 142 – Accounts for Service Tax revenues needed for authorized maintenance services within the Metro Air Park Community Facilities District.
- North Vineyard Station Specific Plan (NVSSP) Fund 143 – Accounts for portions of major public infrastructure necessary for the NVSSP area to urbanize including construction of roadways, frontage lanes, public transit, library, and park facilities.
- North Vineyard Station Specific Plan CFD Fund 144 – Accounts for portions of major public infrastructure necessary for the North Vineyard Station area to urbanize including construction of roadway and transportation improvements, signalized intersections, landscaping improvements, sanitary water, storm drainage, and potable water systems.
- Natomas Fire District Fund 229 – Accounts for fire protection services to approximately forty square miles of the unincorporated area in the northwestern portion of the County.
- County Service Area (CSA) Number One Fund 253 – Formed to provide all street and highway safety lighting services in the unincorporated area of the County.
- CSA Number 10 Fund 257 – Accounts for miscellaneous extended transportation services to achieve trip reduction targets in the North Vineyard Station Specific Plan and other urban development areas in the County.
- Regional Sanitation District Fund 261 – Accounts for the operations of the Regional Sanitation Utility System. Only the salary and benefit appropriations are reflected in the County budget document.
- Sacramento Area Sewer Operations Fund 267 – Accounts for the operations of the Sacramento Area Sewer District. Only the salary and benefit appropriations are reflected in the County budget document.
- Fixed Asset Revolving Fund 277 – Accounts for transfer of funds to the 1990 Fixed Asset Debt Service Fund 278 for payment of debt service and other costs of the program.
- 1990 Fixed Asset Debt Service Fund 278 – Services all debt associated with the acquisition of fixed assets for the Public Facilities Financing Corporation.
- Juvenile Courthouse Debt Service Fund 280 – Services the 2003 Juvenile Courthouse Certificates of Participation.
- 2004 Pension Obligation Bonds Fund 282 – Reflects the annual debt service and related financial services costs for the County's Taxable Pension Funding Bonds Series 2004.
- Tobacco Litigation Settlement Capital Projects Fund 284 – Accounts for construction projects from the Tobacco Securitization proceeds including the Juvenile Hall expansion project and the Primary Care Clinic Facility.
- Capital Projects Debt Service Fund 287 – Refunding of the Parking Facility and Cherry Island Gold Course Certificates of Participation (COPS).

**SPECIAL DISTRICTS AND OTHER AGENCIES FUNDS (cont.) :**

- 1977 Refunding Public Facilities Debt Service Fund 288 – Reflects the debt service requirement for payment of principal, interest, and various other costs related to the 1997 Public Facilities Project Certificates of Participation for the construction of the Coroner/Crime lab and Data Center (the 1994 Certificates).
- Jail Debt Service Fund 292 – Services the Main Jail Certificates of Participation.
- 2003 Public Facilities Debt Service Fund 298 – Services the 2003 Public Facilities Projects Certificates of Participation (expansion of the Warren E. Thornton Youth Center, expansion of the Boys Ranch and improvement to various county facilities to accommodate Americans with Disabilities Act).
- 2010 Refunding COPS Debt Service Fund 300 – Accounts for the annual lease payments of the 2010 Refunding Certificates of Participation.
- 2007 Public Facilities Projects Construction Fund 303 – Accounts for the uses of proceeds of the County's 2007 Certificates of Participation Animal Care Facility/Youth Detention Facilities-120 Bed Expansion projects.
- 2007 Public Facilities Projects Debt Service Fund 304 – Accounts for the debt service requirement for payment of principal, interest and various other costs related to the County's 2007 Certificates of Participation Animal Care Facility/Youth Detention Facilities, 120-Bed Expansion projects.
- 2006 Public Facilities Construction Fund 305 – Accounts for construction projects from the 2006 Public Facilities Projects Certificates of Participation (construction of a new Fleet Maintenance Facility; purchase of the Voter Registration and Elections/Sheriff Station House Facility; partial refunding of the 1997 Public Building Certificates of Participation [purchase of the Bank of America building and construction of a 448-Bed Dormitory at Rio Cosumnes Correctional Center]).
- 2006 Public Facilities Debt Service Fund 306 – Services the 2006 Public Facilities Projects Certificates of Participation (construction of a new Fleet Maintenance Facility; purchase of the Voter Registration and Elections/Sheriff Station House Facility; partial refunding of the 1997 Public Building Certificates of Participation [purchase of the Bank of America building and construction of a 448-Bed Dormitory at Rio Cosumnes Correctional Center]).
- 1997 Public Facilities Debt Service Fund 308 – Services all debt associated with the 1997 borrowing which financed an additional dormitory-style jail at the Rio Cosumnes Correctional Center, and acquisition of the Bank of America building in downtown Sacramento.
- 1997 Public Facilities Construction Fund 309 – Accounts for construction of an additional dormitory-style jail at the Rio Cosumnes Correctional Center, acquisition of the Bank of America building in downtown Sacramento and various other approved construction projects.
- Pension Obligation Bond Interest Rate Stabilization Fund 311 – Provides for interest earnings on the Pension Obligation Bond Debt Service in Fund 313.
- Pension Obligation Bond Debt Service Fund 313 – Services the debt related to Pension Bonds issued to pay off the unfunded pension liability the county owed to the Sacramento County Employee Retirement System.

**SPECIAL DISTRICTS AND OTHER AGENCIES FUNDS (cont.) :**

- Beach Stone Lake Flood Mitigation Fund 314 – Accounts for a portion of the cost of a flood control project to reduce flooding in the area and to provide flood insurance for local residents impact by the project.
- Water Agency Zone 11 Fund 315 – Accounts for the design and construction of drainage facilities in the zone's geographical area.
- North Vineyard Station Right of Way Fund 316 – Accounts for the right-of-way and easement acquisitions necessary for the construction of roadways, utilities, landscaping, drainage channels detention basins, and water supply and sewer infrastructure within the North Vineyard Station Specific Plan area.
- North Vineyard Well Protection Fund 317 – Accounts for the rehabilitation or replacement of private wells as a result of groundwater production from the North Vineyard Well Field.
- Water Agency Zone 13 Fund 318 – Accounts for regional water supply, drainage and flood control studies.
- Water Agency Zone 12 Fund 319 – Accounts for the collection of ad valorem tax revenues that are transfer to the Stormwater Utility District.
- Water Resources Fund 322 – Accounts for the operations of the Storm Utility Program.
- Department of Flood Management Fund 325 – Accounts for the employees serving the Sacramento Area Flood Control Agency (SAFCA).
- Landscape Maintenance District Fund 330 – Accounts for the maintenance of approximately two million square feet of landscaped corridors, medians and natural open spaces throughout the County.
- Mission Oaks Recreation and Park District Fund 336 – Accounts for the operations of the Mission Oaks Recreation and Park District, a Board of Supervisors-governed park district.
- Carmichael Recreation and Park District Fund 337 – Accounts for the operations of the Carmichael Recreation and Park District, a Board of Supervisors-governed park district.
- Sunrise Recreation and Park District/Antelope Assessment Fund 338 – Accounts for the operations of the Sunrise Recreation and Park District, a Board of Supervisors-governed park district.
- Del Norte Oaks Park District Fund 351 – Accounts for the grounds maintenance of 8,200 square feet of landscaped area in the Del Norte Oaks subdivision.
- CSA Number 4B (Wilton-Cosumnes) Fund 560 – Accounts for recreation and park services to the Wilton Community and surrounding areas in the south county.
- CSA Number 4C (Delta) Fund 561 – Accounts for recreation and park services to the Delta area in the south county.
- CSA Number 4D (Herald) Fund 562 – Accounts for park maintenance aide and supplies for operations of Herald Park.
- County Parks CFD 2006-1 Fund 563 – Accounts for local and regional park maintenance and operation services for park, parkway, trails, park and recreational programs and open space facilities within the boundary of County Service Area 4B.

**GOVERNMENTAL FUNDS:**

Governmental Funds record expenditures for compensated absences as they are taken by employees. Each year's budget includes a provision for the estimated expenditure for the current year. A year-end accrual for compensated absences has not been made in the Governmental Funds as of June 30, 2000, because the County does not believe any of the available year-end resources will be required to fund the year-end compensated absences liability. Accordingly, this liability is recorded in the General Long-Term Obligations Account Group.

**PROPRIETARY FUNDS:**

Proprietary Funds accrue a liability for unused compensated absences earned through year-end. An expense is recognized for the increase in liability from the prior year.

**TRUST AND AGENCY FUNDS:**

• **TRUST FUNDS**

- **Investment Trust Fund** – Accounts for assets held for external investment pool participants.
- **Expendable Trusts:**
  - Inmates' Welfare – Accounts for profits from the jails' commissaries, which are used solely for the benefit of the inmates.
  - Jail Industry – Accounts for operations of the County's "inmate industry" program.
  - Law Library – Accounts for an apportionment of civil case filing fees received solely for maintenance of the County's Law Library.
  - Local Improvement Pre-Assessment District – Accounts for funds collected from developers/property owners' for preliminary work prior to issuing special assessment debt to finance infrastructure projects.

• **AGENCY FUNDS**

- Law Enforcement – Accounts for law enforcement revenues collected pending disbursement, reimbursement, or apportionment to the appropriate County law enforcement department of other local police agency.
- Federal Program Transfer – Accounts for receipts from governmental programs administered by the County. Funds are held by the County in the Agency Fund until earned by the appropriate department, at which time they are transferred.
- Unapportioned Tax Collection – Accounts for property taxes received but not yet apportioned by the County.
- Public Safety – Accounts for receipts from the one half percent sales tax approved by voters for law enforcement functions. These receipts are held pending apportionment to the appropriate county law enforcement department or local police agency.
- Pooled Treasury Income – Accounts for interest earned and received by the County Treasury and allocated to appropriate funds.
- Other – Accounts for other agency funds where the County holds money in a custodial capacity.

# DESCRIPTION OF MAJOR COUNTY REVENUE SOURCES AND TRENDS

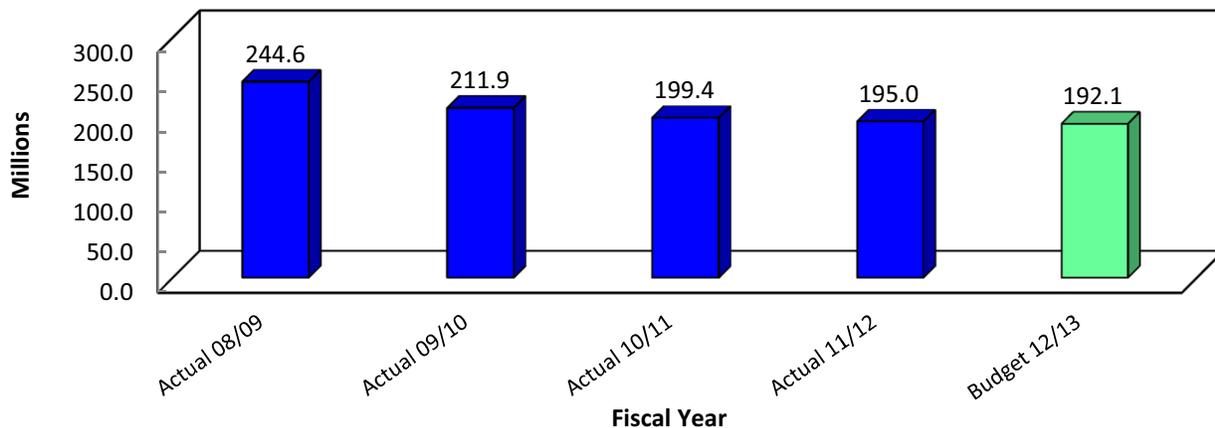
## Revenue Source: Property Tax Revenues

Trend		Percent Change	Comments
2008-09 Actual	\$ 244,620,566		1.0 percent tax on real property under acquisition value basis of California's Proposition 13.
2009-10 Actual	\$ 211,948,324	-13.36%	
2010-11 Actual	\$ 199,384,751	-5.93%	
2011-12 Actual	\$ 195,033,324	-2.18%	
2012-13 Budget	\$ 192,146,376	-1.48%	

### PROPERTY TAX REVENUES:

The revenue estimate includes various property tax-related accounts including secured, unsecured, supplemental, delinquent, and unitary. The estimate is based on the Assessor's property tax roll. The Fiscal Year 2012-13 projected total for property tax revenues is \$192.1 million.

## Property Tax Revenues



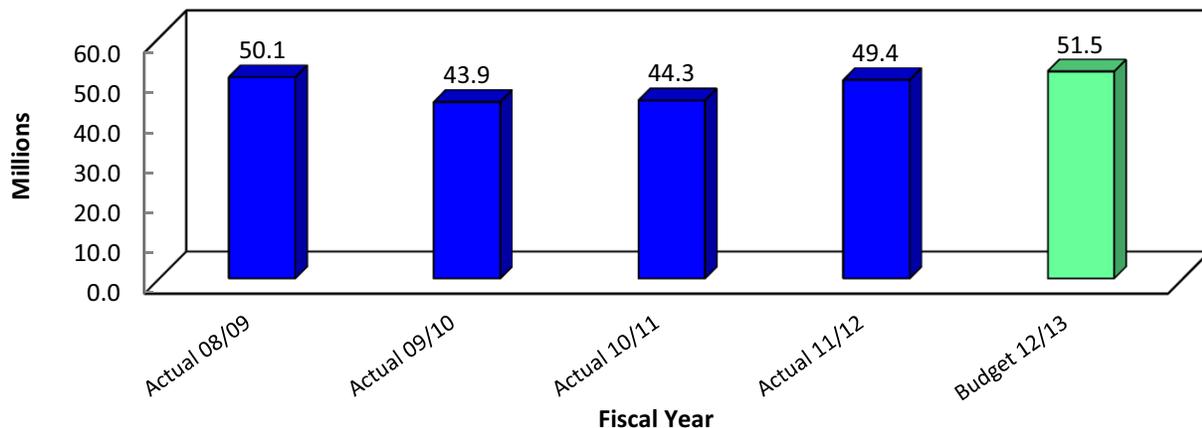
**Revenue Source: Sales Tax**

Trend		Percent Change	Comments
2008-09 Actual	\$ 50,104,502		A 0.75 percent share of statewide collected sales tax rate of 7.75 percent, collected from the Unincorporated Area only. Effective Fiscal Year 2004-05, due to the State's "Triple Flip," sales tax was reduced by 1/4 from 1.0 percent to 0.75 percent. The State backfills the lost revenue with Educational Revenue Augmentation Fund (ERAF) revenues (see In Lieu Local Sales and Use Tax).
2009-10 Actual	\$ 43,931,284	-12.32%	
2010-11 Actual	\$ 44,273,457	0.78%	
2011-12 Actual	\$ 49,367,691	11.51%	
2012-13 Budget	\$ 51,480,690	4.28%	

**SALES TAX:**

The revenue estimate is impacted by the State's "Triple Flip" provision which reduces Sales Taxes by 25.0 percent. The budget estimate is based on an assumed 4.28 percent growth from the prior year actuals of \$49.4 million. The total projected for Fiscal Year 2012-13 is \$51.5 million.

**Sales Tax Revenues**



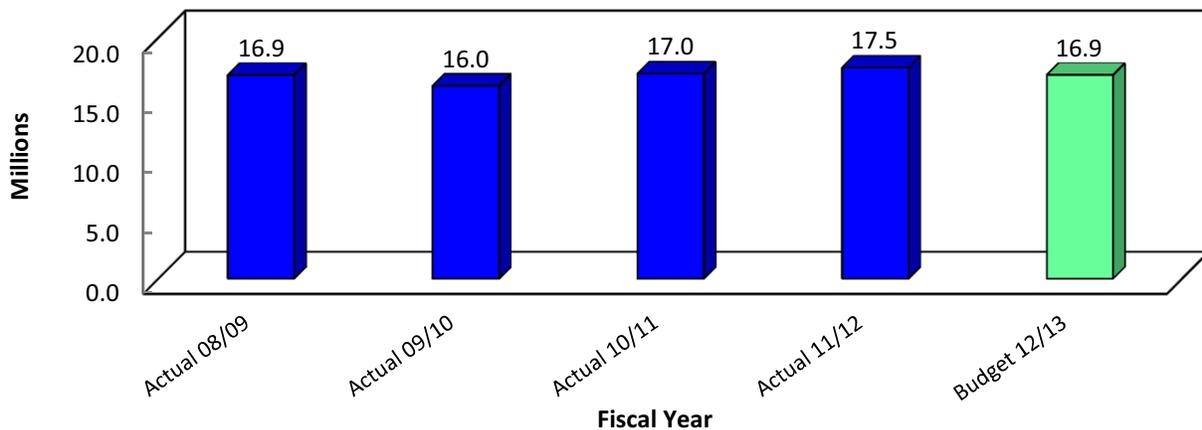
**Revenue Source: Utility Tax**

Trend		Percent Change	Comments
2008-09 Actual	\$ 16,891,373		A 2.5 percent tax on electricity, gas, sewer, phone (not cellular), and cable TV use in the Unincorporated Area.
2009-10 Actual	\$ 16,017,827	-5.17%	
2010-11 Actual	\$ 16,996,428	6.11%	
2011-12 Actual	\$ 17,493,436	2.92%	
2012-13 Budget	\$ 16,909,500	-3.34%	

**REVENUE SOURCE - UTILITY TAX:**

The revenue estimate is based on a 3.34 percent decrease in utility collections in the Unincorporated Area. The decrease is due to the continual trend of customers shifting from home-based telephone usage to non-taxable cellular telephone usage. The total budgeted for Fiscal Year 2012-13 is \$16.9 million.

**Utility Tax Revenues**



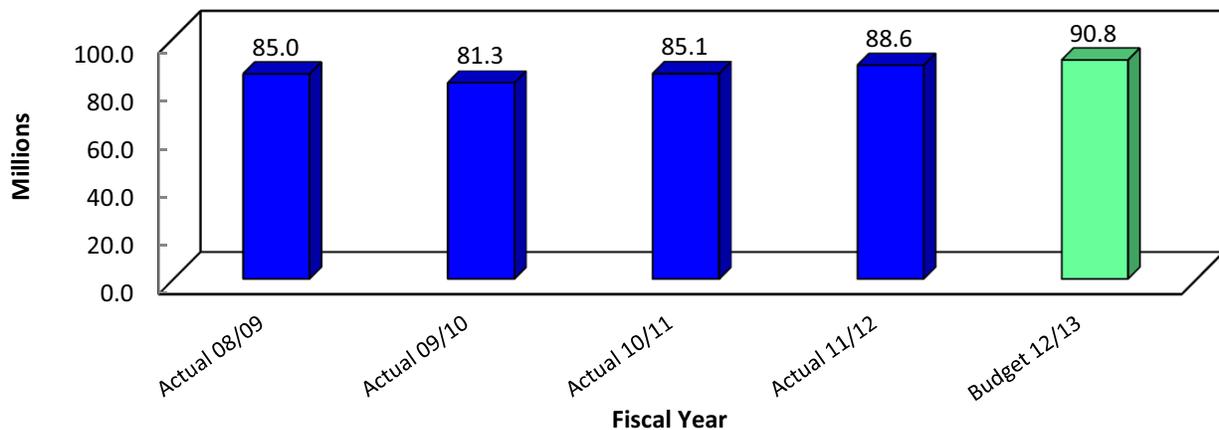
**Revenue Source: Proposition 172 – Public Safety**

Trend		Percent Change	Comments
2008-09 Actual	\$ 85,044,279		County share of statewide 1/2 cent sales tax. Allocated to counties and cities by formula in state law. Changes in revenue depend on statewide sales tax collections and countywide sales tax collections as a share of the statewide total collections.
2009-10 Actual	\$ 81,331,636	-4.37%	
2010-11 Actual	\$ 85,087,235	4.62%	
2011-12 Actual	\$ 88,638,530	4.17%	
2012-13 Budget	\$ 90,841,527	2.49%	

**PUBLIC SAFETY REVENUE:**

The budget estimate is based on 2.49 percent assumed growth in statewide sales tax collections based on the actuals for the second half of Fiscal Year 2011-12.

**Proposition 172 - Public Safety**



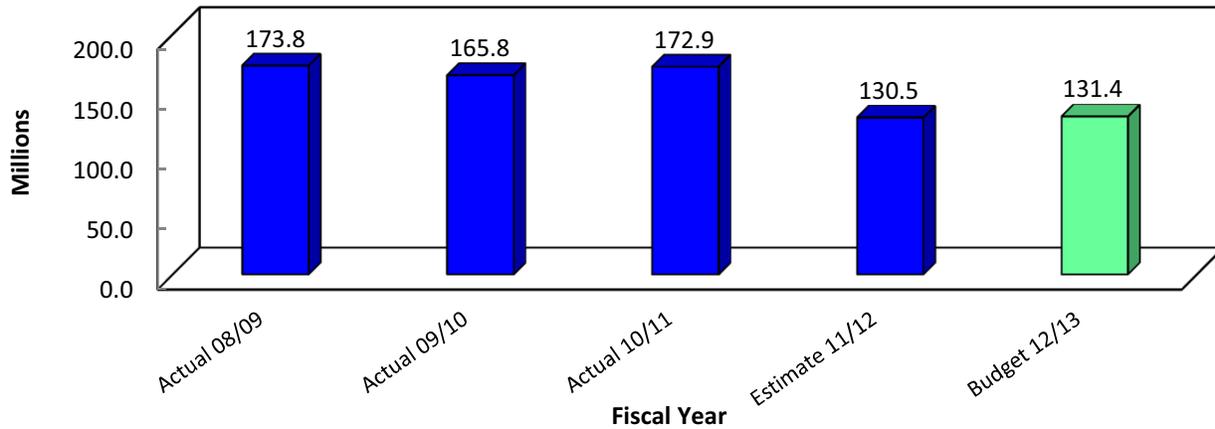
**Revenue Source: Realignment 1991 Revenues**

Trend		Percent Change	Comments
2008-09 Actual	\$ 173,825,350		Changes in revenue reflect county's share of 1/2 cent statewide sales tax and 24.33 percent of vehicle license fees which are allocated to health, mental health, and social service programs. Reduction in funding due to shift of mental health account (see Realignment 2011 Mental Health).
2009-10 Actual	\$ 165,816,857	-4.61%	
2010-11 Actual	\$ 172,898,213	4.27%	
2011-12 Estimate	\$ 130,483,659*	-24.53%	
2012-13 Budget	\$ 131,366,884*	0.68%	

**REALIGNMENT REVENUE:**

The assumptions for Realignment include no growth in statewide sales tax collections and vehicle license fees collections, and no changes in allocation patterns among the major Realignment Accounts.

**Realignment 1991 Revenues**



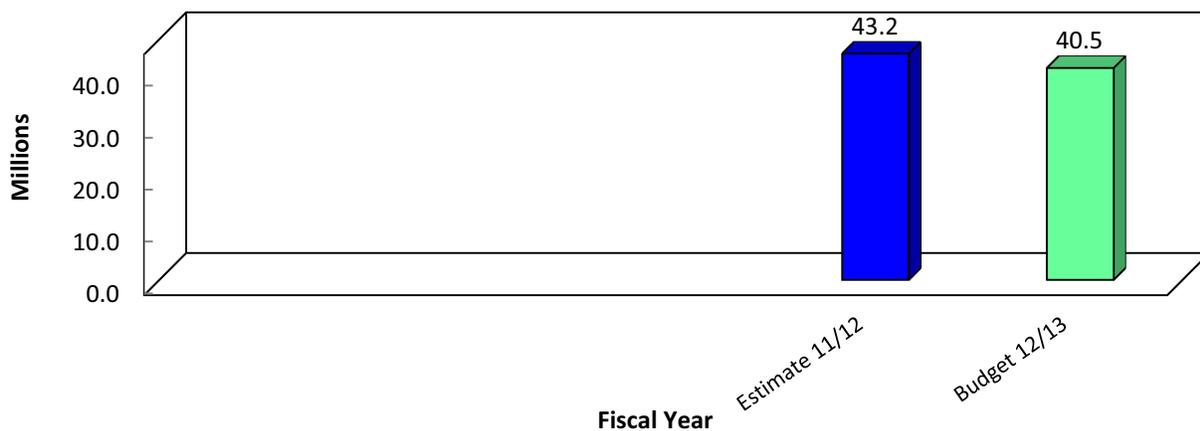
**Revenue Source: Realignment 2011 Mental Health**

Trend		Percent Change	Comments
2011-12 Estimate	\$ 43,231,466	-6.38%	The funds are deposited into the Mental Health Account of Local Revenue Fund 2011. The entire balance of those funds are then subsequently deposited into the 1991 Realignment Mental Health Subaccount.
2012-13 Budget	\$ 40,474,482		

**REALIGNMENT 2011 MENTAL HEALTH:**

The assumptions for Realignment include no growth in statewide sales tax collections and vehicle license fees collections, and no changes in allocation patterns among the major Realignment Accounts.

**Realignment 2011 Mental Health**



**Revenue Source: Realignment 2011 Revenues**

Trend	Percent Change	Comments
2012-13 Budget                    \$ 168,126,160		As part of the 2011-12 budget plan, the Legislature enacted a major shift of state program responsibilities and revenues to local governments. The realignment plan funds various criminal justice, mental health, and social services programs.

**REALIGNMENT 2011 REVENUES:**

The assumptions for Realignment include no growth in statewide sales tax collections and vehicle license fees collections, and no changes in allocation patterns among the major Realignment Accounts.

**Realignment 2011 Revenues**



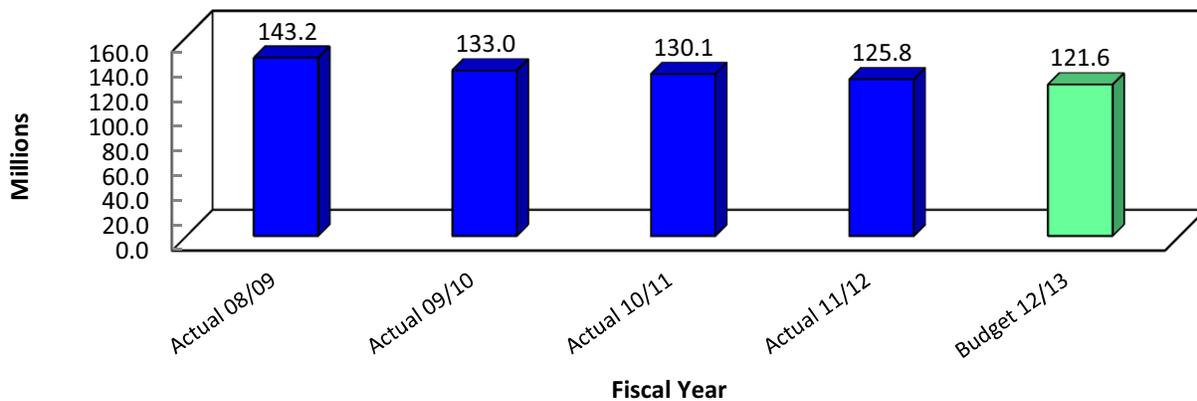
**Revenue Source: Property Tax In-Lieu of Vehicle License Fee**

Trend		Percent Change	Comments
2008-09 Actual	\$ 143,187,726		This revenue source emerged as the result of the State's "Swap" deal. This amount reflects backfill of the Vehicle License Fee that now flows to the State General Fund.
2009-10 Actual	\$ 133,046,661	-7.08%	
2010-11 Actual	\$ 130,088,166	-2.22%	
2011-12 Actual	\$ 125,760,833	-3.33%	
2012-13 Budget	\$ 121,633,215	-3.28%	

**PROPERTY TAX IN-LIEU OF VEHICLE LICENSE FEES:**

The assumption for this revenue source is based on the State's "Swap" deal. The Fiscal Year 2012-13 projected total of \$121.6 million reflects a 3.28 percent decrease from the prior year actual levels.

**Property Tax In Lieu of Vehicle License Fees**



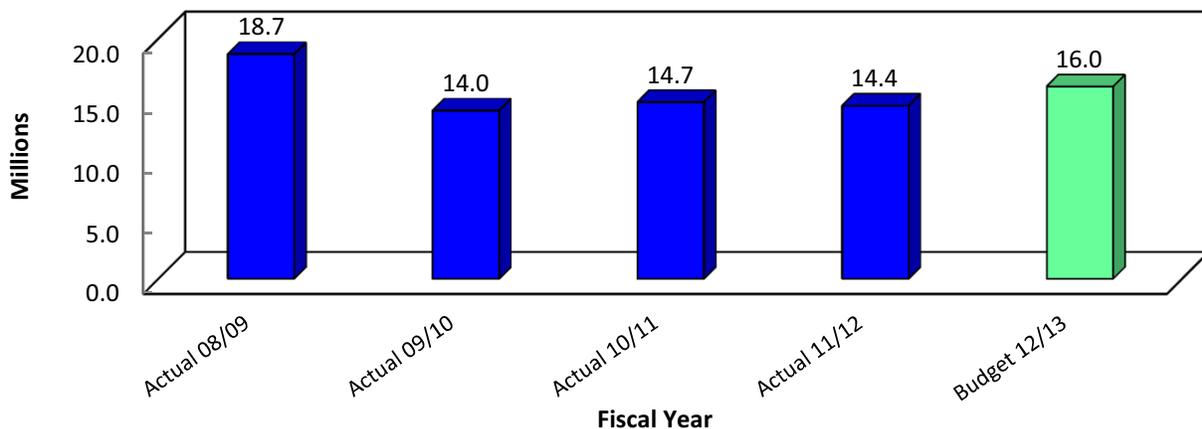
**Revenue Source: In Lieu Local Sales and Use Tax**

Trend		Percent Change	Comments
2008-09 Actual	\$ 18,735,315		This revenue source emerged as the result of the State's "Triple Flip" provision. This amount represents the backfill of the 25.0 percent Sales and Use Taxes revenue that are reallocated to the State Fiscal Recovery Fund.
2009-10 Actual	\$ 14,047,475	-25.02%	
2010-11 Actual	\$ 14,721,704	4.80%	
2011-12 Actual	\$ 14,406,406	-2.14%	
2012-13 Budget	\$ 16,040,736	11.34%	

**IN LIEU LOCAL SALES AND USE TAX:**

The assumption for this revenue source is based on the State's "Triple Flip" provision which reduces the County's Sales and Use Taxes by 25.0 percent. The State backfills this 25.0 percent reduction with Educational Revenue Augmentation Fund (ERAF) revenues. For Fiscal Year 2012-13, a total of \$16.0 million is budgeted for In Lieu Local Sales and Use Tax revenues, an increase of 11.34 percent from the prior year actuals.

**In Lieu Local Sales and Use Tax**



# GENERAL BUDGET POLICIES AND PLANNING

## GENERAL BUDGET INFORMATION

This summary includes:

- I. The Budget, Legal Requirements, Budgeting Basis, and Budget Policies
- II. Revenue and Cash Management
- III. Debt Management Policies
- IV. Range Budget Planning

### **I. THE BUDGET**

The annual budget for Sacramento County is an operational plan, a fiscal plan, and a staffing plan for the provision of services to the residents of Sacramento County. The budget also includes a five-year Capital Improvement Plan for the County. This plan is presented to the Board of Supervisors and is reviewed during the budget hearings. The County Board of Supervisors approves the budget each year at the conclusion of an open and deliberative process in which county residents, county employees, and county officials are active participants.

#### **LEGAL REQUIREMENTS**

The county's budget process conforms to state law and the County Charter. The California State County Budget Act of 1986 provides statewide uniformity in the budget process, content, and format among California counties and special districts. Deadlines for the public release of budget information and the adoption of proposed and final budgets are given. The Budget Act also sets the content and format of budget schedules.

The County Charter specifies the roles of the Board of Supervisor and the County Executive in the budget process. The County Executive is charged with recommending a balanced budget (a budget in which the expenditures incurred during a given period are matched by revenues and/or current expenditures are equal to receipts) to the Board and with executing the budget plan once it is adopted. The County Executive is also responsible for monitoring the status of the budget throughout the year and with recommending budget changes when circumstances warrant.

#### **BUDGETING BASIS**

For the governmental funds, or those funds subject to appropriation, Sacramento County uses a modified accrual basis of budgeting and accounting. Under this basis of budgeting and accounting, revenues are recognized when they become both measurable and available, and expenditures are recorded when the liability is incurred. Measurable means the amount of the transaction is known. Available means the revenue will be received as cash within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current period.

Proprietary funds use an accrual basis of accounting in essentially the same manner as commercial accounting. Recognition occurs at the time of the transaction – revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flow takes place.

**BUDGET POLICIES**

Sacramento County's budget process operates under long standing Board of Supervisors-approved budget policies. In summary, the policies are designed to control growth in the budget, maximize fund balance, give departments operational flexibility, and establish prudent reserve levels.

**Alignment of Ongoing Expenditures and Revenues and Use of Fund Balance**

In 1985 the Board adopted long-term policies intended to keep ongoing county expenditures in alignment with ongoing financing sources and to increase fund balance. These policies state:

- General Fund, fund balance will be used as an ongoing financing source.
- The higher costs of new programs, higher service levels, and new staff will be recognized on a full-year basis to ensure the recognition of the full cost of new commitments.
- Unanticipated revenue windfalls not included in the budget plan will not be expended during the year unless such spending is required in order to receive the funding.
- Short-term funding sources are not to be applied to ongoing requirements.

**Use of Fund Balance and Appropriation Use Flexibility**

In 1992 the Board of Supervisors adopted a set of policies under the rubric of "departmental empowerment" to give departments more flexibility in managing service delivery and departmental budgets. The budgetary aspects of the departmental empowerment policies include:

- The year-end practice was changed from "use it or lose it" to "save it and keep it." Departmental contributions to fund balance are credited back to departments as financing in the following year.
- Departments were given the flexibility of administratively shifting appropriations between expenditure categories without Board or County Executive approval so long as there is no change in overall net appropriations. The Department of Finance presents a quarterly report of such budget adjustments to the Board of Supervisors.
- A restriction was placed on departmental empowerment in Fiscal Year 2002-03, disallowing transfer of salary appropriations to other expenditures without Board approval. This restriction was necessary due to the need to maintain high fund balances in order to mitigate against the state budget reductions and weak economic conditions.

**Reserve Levels**

The Board, upon recommendation from the County Executive and Chief Operations Officer, adopted a Reserve and Reinvestment Policy in 2010. This policy sets a target for the General Fund General Reserve at ten percent of discretionary revenues. Fiscal Year 2010-11 reserves do not meet that target due to current economic conditions. The policy does set guidelines for the Board to follow to reestablish reserves and eventually reach the targeted level.

**Resource Allocation**

In June 2007, upon recommendation of the County Executive, the Board of Supervisors adopted a series of obligations/priorities to guide resource allocation and budget decision making. These priorities are slightly different from prior years in that the mandated programs are split into those where the service/budget is specifically mandated and those where the Board of Supervisors has some flexibility regarding the level of mandated service provided. The approved spending priorities recognize that certain obligations must be funded before any discretionary priorities can be addressed:

**Resource Allocation (Cont.)**

- **Mandated Countywide Obligations**, such as jails, prosecution, juvenile detention, health care for the poor, and welfare payments to eligible clients. These obligations are now designated as specifically mandated programs.
- **Mandated Municipal Obligations** such as the core requirements for providing for the public safety of the citizens living in the unincorporated area (Sheriff's patrol and investigations).
- **Financial Obligations** is the maintenance of the public trust through a sound fiscal policy that focuses on financial discipline, including funding programs that provide for revenue collection and payment of county debts.
- **Budget Priorities**, when funding of the County's mandated services and obligations are met, the following priorities shall govern the budget process:
  - Provide the highest level of discretionary law-enforcement municipal and countywide services possible within the available county budget, such as Sheriff's patrol and investigations, and Probation supervision.
  - Provide the safety net for those disadvantaged citizens, such as the homeless, mentally ill, and others who receive no services from other government agencies.
  - Provide the highest possible quality of life for our constituents within available remaining resources (i.e. neighborhood programs, reinvestment in communities, Parks and Recreation, and non-law enforcement municipal services, etc.)
  - General government functions (such as Clerk of the Board, County Counsel, Human Resources Agency, Office of Communications and Information Technology, County Executive, etc.) shall continue at a level sufficient to support the direct services to citizens.
  - Continue prevention/intervention programs that can demonstrate that they save the county money over the long-term, such as alcohol and drug programs.

**II. Revenue and Cash Management – Cash, Investments, And Restricted Assets**

All investments are reported on the statement of net assets/balance sheet in accordance with GASB State No. 31, at fair value. The County maintains two cash and investment pools. The primary cash and investment pool (Treasurer's Pool) is available for use by all funds. The portion of this pool applicable to each fund type is displayed on the statements of net assets/balance sheets as "Cash and investments." The share of each fund in the pooled cash account is separately accounted for and interest earned, net of related expenses, is apportioned quarterly and at the end of the fiscal year based on the relationship of its average daily cash balance to the total of the pooled cash and investments. The apportionment due to the internal service funds and certain agency funds accrues to the benefit of the General Fund. The County, acting in a fiduciary capacity, established a separate cash and investment pool (Fiscal Agent Pool) to segregate and invest monies in accordance with long-term obligation covenants. The County periodically distributes interest earned by these pools to the funds. The pools are accounted for on an amortized cost basis during the year. The Treasurer's and Fiscal Agent Pools are subject to oversight by the Treasury Oversight Committee. The value of pool shares that may be withdrawn is determined on an amortized cost basis, which differs from fair value. The County has not provided or obtained any legally binding guarantees during the fiscal year to support the value of pool shares. The County does not permit any voluntary participation in the Treasurer's Pool.

Cash and investments held by fiscal agents are restricted as to its use. It includes funds for the construction/acquisition of plant and equipment and funds designated by debt agreements as reserve funds and for servicing debt during the construction/acquisition of plant and equipment. At June 30, 2008, all cash held by fiscal agents was covered by federal depository insurance or by collateral held by the County's financial institutions in the county's name.

**Revenue and Cash Management – Investments and GASB 40 Presentation**

The County has chosen to implement GASB Statement 40, Deposit and Risk Disclosures, which is an amendment to GASB Statement No 3.

Investments by the County Treasurer are restricted per Government Code Section 53600 et. Seq. This Code requires that the investments be made with the prudent investor standard, that is, when investing, reinvesting, purchasing, acquiring, exchanging selling or managing public funds, the trustee (Treasurer and staff) will act with care, skill, prudence, and diligence under the circumstances then prevailing.

The Government Code also requires that when following the investing actions cited above, the primary objective of the trustee be to safeguard the principal, secondarily meet the liquidity needs of depositors, thirdly maintain the public trust and then achieve a return on the funds under the trustee's control. Further, the intent of the Government Code is to minimize risk of loss on County held investments from:

- Credit risk
- Custodial credit risk
- Concentration of credit risk
- Interest rate risk

Specific restrictions of investment are noted below:

**Section 53601** lists the investments in which the Treasurer may purchase. These include bonds issued by the County; United States Treasury notes, bonds, bills or certificates of indebtedness; registered state warrants, treasury notes, or bonds of the State of California; bonds, notes warrants or other forms of indebtedness of any local agency within California; obligations issued by banks for cooperatives, federal land banks, federal home loan banks, the Federal Home Loan Bank Board or other instruments of, or issued by, a federal agency or United States government sponsored enterprise; Bankers Acceptances (not over 180 days maturity, not to exceed 40 percent of the total portfolio); Commercial Paper of "prime quality" (the highest ranking provided by either Moody's Investor Services or Standards and Poor Corporation) (not over 270 days maturity and not to exceed 40 per cent of the total portfolio pursuant to Section 53635 ) and these investments are further restricted as to capacity and credit rating of the Company and are restricted as to a percentage of the whole portfolio and the dollar-weighted average maturity is also restricted; negotiable certificates of deposit issued by approved banks, not to exceed 30 percent of the total portfolio; repurchase and reverse repurchase agreements are permitted investments but are subject to stringent rules regarding term, value and timing, all put in place to minimize risk of loss; medium term notes, carry a maturity of no more than five years and rated "A" or better by a nationally recognized rating service, not to exceed 30 percent of the portfolio; shares of beneficial interest issued by a diversified management company subject to certain limitation; notes, bonds and other obligations that are at all times secured by a valid first priority security interest in securities of rules cited in Government Code Section 53651; moneys held by a trustee or fiscal agent for bonds, indebtedness, lease obligations, or other agreements, may be invested in accordance with the statutory provisions governing the issuance of the bonds, indebtedness, lease obligations or other agreements; mortgage pass-through

securities and other mortgage and consumer receivable backed bonds, not to exceed a maturity of five years, subject to the credit rating of the issuer and not to exceed 20 percent of the portfolio; and shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7.

In addition to the restrictions and guidelines cited in the Government Code, the County Board of Supervisors annually adopts an "Investment Policy for the Pooled Investment Fund" (The Policy). The Policy is prepared by Department of Finance and is based on criteria cited in the Government Code. The Policy adds further specificity to investments permitted, reducing concentration within most permitted investment types and reducing concentration of investments with any broker, dealer or issuer.

The County was in full compliance with its own more restrictive policy, and, therefore, was also in compliance with the above cited Government Code sections. Accordingly, the County believes it is not at measurable risk as to the four risk areas cited above.

**Interest Rate Risk** – This is the risk of loss due to the fair value of an investment falling due to interest rates rising. Of the County's \$3.320 billion portfolio over 72.3 percent of the investments have a maturity of six months or less. In addition, 93.3 percent of the portfolio matures within two years.

**Credit Risk** – The County is permitted to hold investments of issuers with a short-term rating of superior capacity and a minimum long-term rating of upper medium grade by the top two nationally recognized statistical rating organizations (rating agencies). For short-term rating, the issuers' rating must be A-1 and P-1, and the long-term rating must be A and A2, respectively by the rating agencies. In addition, the County is permitted to invest in the State's Local Agency Investment Fund, collateralized certificates of deposits and notes issued by the County that are non-rated.

**Custodial Credit Risk** – At year-end, the County did not participate in any repurchase agreements or securities lending that would result in any possible risk in this area.

**Concentration of Credit Risk** – Nearly 71.3 percent of the County's investments at year-end are in U.S. Government or Agencies issues. There is no limitation on amounts invested in these types of issues. Of the 20.1 percent of the portfolio invested in commercial paper or certificate of deposits, no investment in a single issuer exceeds five percent.

**Prohibited Investments** - No investments shall be authorized that have the possibility of returning a zero or negative yield if held to maturity. These shall include inverse floaters, range notes, and interest only strips derived from a pool or mortgages.

All legal investments issued by a tobacco-related company are prohibited. A tobacco-related company is defined as an entity that makes smoking products from tobacco used in cigarettes, cigars, or snuff or for smoking in pipes. The tobacco-related issuers restricted from any investment are Altria Group, British American Tobacco PLC, Imperial Tobacco Group PLC, Loews Corp., Reynolds American, Inc., Universal Corp., UST, Inc., and Vector Group, Ltd. Annually the Director of Finance and/or his designee will update the list of tobacco-related companies.

### **III. Debt Management Policies**

The County has also adopted comprehensive Debt Management Policies, which are intended to improve coordination and management of all debt issued in which the County has complete or limited obligation (e.g. special assessment or Mello-Roos financings) for debt repayment. As the municipal debt market changes, all outstanding debt should be monitored to take advantage of changing opportunities.

Major elements of the policy include:

- Establishment of a County Debt Utilization Committee (CDUC) which has the responsibility for reviewing, coordinating and advising the County Executive and Board of Supervisors regarding proposed and existing debt issues in order to assure that debt is utilized in a favorable manner to the County and only when it is in the best interest of the County.
- Formalizing the concept that debt proposals by individual departments must be closely coordinated with the county's capital and operating budget processes and must take into account the impact of the proposed debt issue on the county's credit rating and total debt burden.
- Assignment of responsibilities related to analysis of proposed borrowings and monitoring compliance with covenants and restrictions in approved debt agreements.
- To the extent feasible, debt issued shall be tied to revenues from those taxpayers who will directly or indirectly receive benefits of the purpose of the debt.
- Short-term and long-term borrowing will be limited to borrowings that are within prudent limits regarding applicable debt ratios and those which improve county cash flow and related interest earning capabilities.
- Proceeds from long-term financing will be limited to the uses authorized by law and allowed by the provisions of the particular debt. Generally, these limitations allow payment for planning, design, land, construction, or acquisition of buildings, permanent structures, attached fixtures and/or equipment, movable furniture, and equipment and also the costs related to planning and issuing the debt.
- Short-term financing will include funding the county's cash flow deficit in anticipation of tax and revenue receipts.
- Structure (e.g. General Obligation, Certificates of Participation, Assessment Districts, or Revenue Bonds) and type of debt issuance (negotiated or competitive) is dependent upon various factors, including the nature of the project to be financed, available revenue sources and revenue streams, budget impact and the financial market environment.
- No financing will be undertaken to finance an operating deficit.

#### Debt Limits

In California there are no statutory or constitutional limits on debt levels for counties. Overall, debt levels for Sacramento County are very low. In the General Fund, total debt service payments amount to 4.75 percent of appropriations.

#### **IV. Long-Range Budget Planning**

Sacramento County integrates long-term budget planning with an annual budget process. The annual budget forecast, typically presented to the Board of Supervisors in early February each year, is based on a current budget modeling of the General Fund. The model is the specific tool used to evaluate the impacts of new facilities, programs, and other commitments on the General Fund in light of projected changes in general revenues.

The model is based on the prior adopted budget and includes all known changes in expenditures and revenues. The model attempts to predict the net cost of maintaining service levels and taking on new programs and costs and compares those net costs to the general purpose financing thought to be available to fund those net costs. Particular emphasis is placed on determining and accounting for the impacts of facility development, labor negotiations, and changes in state and federal law and

regulations. The capital improvement plan is used to identify new operational requirements years in advance of the need to actually fund the staffing and maintenance of new facilities. Long-term commitments to employees are made in light of an assessment of the county's ability to balance labor cost increases with the maintenance or enhancement of service levels.

The modeling has proved to be a useful predictor of budgetary trends and the overall balance between net cost and general purpose financing. The model is less accurate in projecting changes in gross spending and departmental revenue. The fundamental point is that the budget model is used far beyond short-term predictions of budget status and issues; the budget model is used to evaluate the county's capacity (or lack thereof) to take on new obligations.

# BUDGET PROCESS AND TIMELINE

## **BUDGET PROCESS:**

The annual budget is prepared, reviewed and approved in accordance with the County Budget Act (California Government Code Sections 29000 through 30200). The Budget and the Comprehensive Annual Financial Report (CAFR) are prepared using generally accepted accounting principles. Governmental fund types like the General Fund, Special Revenue Funds, and Debt Service use the modified accrual basis, Proprietary Funds use the full accrual basis.

The annual operating budget includes all operating, capital, and debt service requirements of Sacramento County for the following fiscal year. The fiscal year is from July 1 to June 30. In addition, the budget includes: the revenue and expense assumptions upon which the budget is based; the number of budgeted positions by department and cost center; the mission, strategic priorities, impact and performance measures of each operating department; prior-year actual and current year budgeted and estimated actual expenditures and revenue by department and cost center; and a description of significant expenditure changes by department and division, along with significant revenue changes at the department level.

The capital budget reflects the annual amount appropriated for each capital project included in the long-range capital improvement plan. When the Board of Supervisors (Board) authorizes a new capital project, the Board approves the total project cost and schedule. The approval of the project budget authorizes total expenditures over the duration of the construction project, which oftentimes spans multi-fiscal years. The annual capital budget authorizes the anticipated expenditures for the scope of work anticipated to be completed in the upcoming fiscal year.

The annual budget process includes seven phases:

### **Phase I – (July-November) – Establish Budget Priorities and Principles**

The Board, working with the County Executive, establishes the operating and capital budget priorities and the budget principles for the next fiscal year based upon relevant economic, social, and demographic trends, a budget update with a three-year forecast and an in depth discussion of proposed budget principles.

### **Phase II – (December – April) Develop Operating Budget**

The County Executive's Office develops and distributes the annual operating budget instructions based upon: Board priorities and budget principles established in November and February; the impact of annual capital budget requests on the operating budget; revenue and expense projections for the following fiscal year; and state and county long-range economic indicators.

Department budgets are developed by the department heads and staff. They are subsequently reviewed and modified, as necessary, through a collaborative effort among the County Executive's Office and the departments.

In developing the annual capital budget, departments must determine the impact these capital projects will have on the following fiscal year's operating budget. Consequently, this phase must be submitted in advance of the departmental annual operating budget.

### **Phase III – (March-April)**

The Board holds public workshop hearings, if appropriate.

### **Phase IV – (May-June)**

After a series of public meetings, the Recommended Budget must be approved by a three-fifths majority of the Board.

**Phase V – (July 1st)**

The Approved Recommended Budget is implemented as the operating budget until Budget is adopted.

**Phase VI – (August-September)**

The County Executive’s Office prepares revised budget recommendations report and submits it to the Board for the Budget Hearings in early September. The Budget is adopted by a three-fifths majority of the Board.

The Director of Finance prepares Adopted Budget Resolutions and submits them to the Board for approval prior to the October deadline.

**Phase VII – (September-October)**

As directed by the Board, budget hearing adjustments are documented by County Executive’s Office Analysts. The various departmental budgets are submitted to the staff of the Office of Budget and Debt Management for compilation and production of the final budget book.

The legally mandated time requirements for budget approval per the County Budget Act are as follows:

Revenue and Expenditure Estimates	June 10th
Approve Recommended Budget	June 30th
Post Recommended Budget	September 8th
Announce Public Hearings	September 8th
Commence Public Hearing	September 18th
Conclude Budget Hearings	October 2nd
Adopted Budget Approval	October 2nd
Adopted Budget Filed with the State	December 1st

**AMENDING THE ADOPTED BUDGET BY APPROPRIATION ADJUSTMENT REQUESTS:**

**Guidelines and Legal Authorities**

All adjustments to budgeted appropriations must be documented on an Appropriation Adjustment Request (AAR) form. Each AAR is accompanied by a cover letter addressed to either the Board or County Executive (depending on approval authority required) explaining the reason for adjustment.

- County Executive approval – The County Executive has the authority to approve the following adjustments (per Government Code Section 29125, and County Resolution No. 85-1368):
  - Transfers between accounts in different objects within an appropriation.
  - Transfers within or between Internal Services Funds.
  - Increases in spending authority of Internal Services Funds when new or increased financing is identified.

*Internal Services Funds are not included in the “Annual Budget Resolution”.*

- By four-fifths vote, the Board may (per Government Code Sections 29086, 29127, and 29130 and County Charter, Section 49):
  - Make available for appropriation balances in contingencies.
  - Make available for appropriation reserves no longer required for the purpose for which intended.
  - Make available for appropriation amounts from any actual or anticipated increases in available financing (new revenue or increases in revenue not set forth in the budget).
  - Make an emergency appropriation after adopting a resolution stating the facts constituting the emergency.

Note: General Reserves are established, cancelled, increased or decreased at time of adopting the budget except in a legally declared emergency.

## **SPECIFIC AREAS OF CHANGE**

### TRANSFER OF APPROPRIATION ADJUSTMENT AUTHORITY

On October 27, 1992, the County implemented the departmental empowerment concept and altered the AAR process.

In Resolution No. 85-1368, the Board delegated authority to the County Executive to approve midyear transfers and revisions of appropriations between objects within a budget unit as well as adjustments to Internal Service Funds. For example, appropriations could be moved from Salaries to Services and Supplies. Existing law (Government Code 29125) allows the Board to designate a county official to authorize these appropriation adjustments as long as they do not alter the total budget unit spending authority.

Along with an emphasis on department empowerment (accountability for program results and financial responsibility), it is important that the departments be granted as much flexibility in their budgets as possible. With this proposed change, the departments' net county cost and underlying appropriation remains the same but the Department Head is able to adjust between expenditure objects as circumstances require during the year. With this emphasis on "bottom-line" control of net cost (appropriations less revenue), it is important that both expenditures and revenues be closely monitored by the departments. Timely midyear corrective actions are expected if actual results vary negatively from the budget. Departments report to the County Executive periodically on budget and program status.

Departments must ensure that provisions are maintained for salary, contractual and inter-department commitments, and other allocated costs. Appropriation adjustment documents impacting two departments must bear authorized signatures from both. All other controls and edits will remain unchanged.

The Board retained authorizations of any increase to total appropriations to be funded from new departmental revenues, contingencies, or reserves. These changes must be processed through the County Executive's Office. Uses of General Fund contingencies or reserves are very rare, usually when there is no legal alternative.

The Auditor-Controller reports quarterly to the Board the adjustments processed under this policy.

**FISCAL YEAR 2012-13 BUDGET TIMELINE:**

Under the leadership of the county’s Chief Operations Officer, staff of the Office of Budget and Debt Management, within the County Executive’s Office, work year-round on the budget. Staff begin work on the next annual budget cycle before the previous cycle is completed. The annual budget process timeline is as follows:

**2012-13 BUDGET SCHEDULE**

<b><u>Event</u></b>	<b><u>Preliminary Due Dates</u></b>
Form 330, Facility Acquisition/Improvement Request due to Real Estate Division	Friday, February 10, 2012
Light Equipment Vehicle Requests due to Fleet Services Division (Form 308B)	Friday, February 10, 2012
Heavy Vehicle Requests due to Fleet Services Division (Form 309B)	Friday, February 10, 2012
2011-12 Budget Update/2012-13 Planning and Policy Presentation	Tuesday, February 28, 2012
Preliminary General Fund Allocations Distributed to Departments	February 2012
<b>BUDGET SUBMITTAL #1 DUE TO CEO FOR <u>ALL FUNDS</u> (refer to checklist)</b>	<b>Monday, March 19, 2012</b>
All requests for Additional Growth due to CEO Analyst	Monday, March 19, 2012
Requests for new positions or funding of unfunded positions - Required forms due to CEO Analyst	Monday, March 19, 2012
Financial Status Report (FSR) #3 with explanation due	Wednesday, April 11, 2012
Program Description due to CEO Analyst	Friday, April 20, 2012
Updated Program Database due to CEO Analyst	Monday, April 30, 2012
Program Budget Comparison Worksheet due to CEO Analyst	Monday, April 30, 2012
<b>RECOMMENDED BUDGET HEARINGS</b>	<b>June 11-15, 2012</b>
Budget Changes resulting from Board Actions (including position change information) due to CEO Analyst	Tuesday, June 19, 2012
Implement Approved Recommended Budget	Sunday, July 1, 2012
Period 13 Closes – Fund Balance Available (date may shift)	Friday, July 20, 2012
Final Year-end Carryover numbers available	Friday, July 27, 2012
Year-End Financial Status Report (FSR) with explanation due	Friday, July 27, 2012
<b>FINAL BUDGET SUBMITTALS DUE TO CEO FOR ALL FUNDS (see checklist)</b>	<b>Friday, August 3, 2012</b>
Final Budget Documents made available to public	Friday, August 24, 2012
Performance Measures due to CEO Analyst	Monday, August 27, 2012
<b>ADOPTED BUDGET HEARINGS</b>	<b>September 5-7, 2012</b>
Budget Changes resulting from Board Actions (including position change information) due to CEO Analyst	Wednesday, September 12, 2012

**FISCAL YEAR 2011-12 BUDGET TIMELINE (CONT.):**

Updated Program Database due to CEO Analyst	Wednesday, September 12, 2012
<b>Final Budget Document Submittals due to CEO Analyst (see checklist)</b>	<b>Friday, September 21, 2012</b>
Adopt Budget Resolutions	Tuesday, September 25, 2012

# EXAMPLE OF A BUDGET MESSAGE

State Controller Schedules		County of Sacramento			Schedule 9
County Budget Act January 2010		Detail of Financing Sources and Financing Uses Governmental Funds Fiscal Year xxxx-xx			
		①	Budget Unit 3610000 - Assessor		
			Function GENERAL		
			Activity Finance		
②	③	xxxx-xx Actual Estimated	④	⑤	
Detail by Revenue Category and Expenditure Object	xxxx-xx Actuals	xxxx-xx Actual Estimated	xxxx-xx Recommended	xxxx-xx Adopted by the Board of Supervisors	
1	2	3	4	5	
Prior Year Carryover	\$ 1,867,208	\$ 1,200,646	\$ 140,008	\$ 140,008	
Charges for Services	5,057,217	5,505,301	5,483,148	5,483,148	
Miscellaneous Revenues	1,959,531	1,098,793	950,000	950,000	
Residual Equity Transfer In	89,501	-	-	-	
Total Revenue	\$ 8,973,457	\$ 7,804,740	\$ 6,573,156	\$ 6,573,156	
Salaries & Benefits	\$ 15,044,025	\$ 14,191,027	\$ 15,817,328	\$ 15,817,328	
Services & Supplies	2,220,887	1,945,896	2,394,385	2,394,385	
Equipment	12,072	-	10,000	10,000	
Expenditure Transfer & Reimbursement	(2,035,960)	(2,358,635)	(2,309,101)	(2,309,101)	
Total Expenditures/Appropriations	\$ 15,241,024	\$ 13,778,288	\$ 15,912,612	\$ 15,912,612	
Net Cost	\$ 6,267,567	\$ 5,973,548	\$ 9,339,456	\$ 9,339,456	
⑥	Positions	168.5	161.5	159.1	159.1

See Explanation on following page.

**AN EXPLANATION OF BUDGET MESSAGE ELEMENTS**

The following explanations refer to the previous page. Definitions of unfamiliar terms may be found in the Glossary.

- **BUDGET UNIT:**
  - Budget unit number and name.
- **DETAIL BY REVENUE CATEGORY AND EXPENDITURE OBJECT:**
  - Major categories of revenues and expenditure objects as classified by law. These categories are defined by the State Controller.
- **ACTUAL:**
  - Amounts actually expended or received.
- **RECOMMENDED:**
  - Amounts recommended by the County Executive.
- **ADOPTED BY THE BOARD OF SUPERVISORS:**
  - Amounts adopted by the Board of Supervisors.
- **POSITIONS:**
  - Total number of permanent positions the department is authorized to fill and for which funding is available.

# SACRAMENTO COUNTY

## ECONOMIC AND DEMOGRAPHIC OVERVIEW

### GENERAL

The County was incorporated in 1850 as one of the original 27 counties of the State of California. The County's largest city, the City of Sacramento, is the seat of government of the State and also serves as the County seat. The County is the major component of the Sacramento Metropolitan Statistical Area (SMSA) which includes Sacramento, El Dorado, Placer and Yolo Counties.

The County encompasses approximately 994 square miles in the middle of the 400-mile long Central Valley, which is California's prime agricultural region. The County is bordered by Contra Costa and San Joaquin Counties to the south, Amador and El Dorado Counties to the east, Placer and Sutter Counties to the north, and Yolo and Solano Counties to the west. The County extends from the low delta lands between the Sacramento and San Joaquin rivers north to about ten miles beyond the State Capitol and east to the foothills of the Sierra Nevada Mountains. The southernmost portion of the County has direct access to the San Francisco Bay.

The County is a long-established center of commerce for the surrounding area. Trade and services, federal, state and local governments are important economic sectors. Visitors are attracted to the County by the State Capitol and other historical attractions such as Sutter's Fort, as well as natural amenities. The County's location at the intersection of four major highways brings additional visitors destined for the San Francisco Bay Area, the Gold Country, the Central Valley and the Sierra Nevada Mountains.

Chief among the County's outdoor recreational opportunities is the 23-mile American River Parkway which welcomes more than five million visitors annually to this unique wildlife and recreation area, offering opportunities for fishing, boating and rafting, picnic sites, golfing, and guided natural and historic tours. The Jedediah Smith Memorial Trail, a 32-mile long trail for bicyclists, hikers and equestrians, parallels the American River and winds southwest from the City of Folsom to Downtown Sacramento. This trail was recognized as a national trail in 1974, and named the nation's No. 1 bike path for 2006.

The Sacramento area is home to the NBA Sacramento Kings professional basketball team. The Sacramento RiverCats, the Oakland A's triple-A affiliate, play their home games in West Sacramento, located across the river from Downtown Sacramento. In addition to Sacramento's professional sports franchises, a number of other high profile sporting events have been held in Sacramento, including the following: NCAA Men's and Women's Basketball Tournaments; NCAA Division I Track and Field Championships; U.S. Gymnastics Championships; U.S. Olympic Team Trials for Track and Field; NCAA Division I Women's Volleyball Championship; Pan Pacific Masters Games; AVP Volleyball Open; Amgen Bicycle Tour of California; U.S. Masters Outdoor Track and Field Championship; and World Masters Athletics Track and Field Championship.

Cultural attractions in the City of Sacramento include the Crocker Art Museum, the longest continuously operating art museum in the West, founded in 1855, and it remains the leading art institution for the California Capital Region and Central Valley. The California State Railroad Museum located in Old Sacramento features 21 restored locomotives and cars, some dating back to 1862, illustrating railway's historic significance to the region in connecting California to the rest of the nation. Sacramento Community Center Theatre, the Music Circus at Wells Fargo Pavilion, Sacramento Ballet, Sacramento Opera, Sacramento Philharmonic Orchestra and numerous other performing arts venues and local art galleries add to the cultural community of Sacramento.

**ECONOMIC DEVELOPMENT INCENTIVE PROGRAM**

The attraction of employers, capital investment and high value jobs, as well as the expansion and retention of existing businesses, is important to the prosperity and quality of life within the County. The County’s economic development incentive program offers a mix of the following, applied on a case-by-case basis: 1) rebate of unsecured property taxes for a fixed number of years; 2) rebate of utility user taxes in excess of a set base amount; 3) rebate of sales tax in excess of a set base amount; 4) fee deferrals; 5) sewer credits; 6) exempt financing through industrial development bonds and other programs; 7) facilitated permit processing; 8) tax increment financing; and 9) other applicable incentives as appropriate. The County has three State-designated Enterprise Zones and two LAMBRA (Local Agency Military Base Recovery Areas), which provide significant incentives for businesses within their respective boundaries. These benefits include loss carryovers, accelerated depreciation of equipment, sales tax rebates on qualified equipment purchases, preference on state contracts and hiring tax credits.

Incentives are designed to avoid negative impact on existing revenue, in that the criteria apply to new or expanding operations and are available to offset significant private investment directly related to a long-term commitment to the area. The success of the overall incentive program is measured by the private capital investment for qualified projects, the direct creation of jobs, the generation of utility, property and sales taxes, and the attraction of support businesses, as well as indirect benefits to the economy from increased employment and investment. The County Economic Development Division is primarily responsible for developing and implementing this program.

**POPULATION**

Sacramento County currently has seven incorporated cities: Citrus Heights, Elk Grove, Folsom, Galt, Isleton, Rancho Cordova and Sacramento, with 33 percent of the County’s population living in the City of Sacramento.

**Sacramento County Breakdown of Population/Percent Increase**

<b>Area</b>	<b>1970</b>	<b>1980</b>	<b>1990</b>	<b>2000</b>	<b>2010</b>	<b>2012</b>
<b>Cities:</b>						
Citrus Heights	---	---	---	85,071	83,267	83,881
Elk Grove	---	---	---	---	152,925	155,937
Folsom	5,810	11,003	29,802	51,884	72,201	72,725
Galt	3,200	5,514	8,889	19,472	23,641	24,076
Isleton	909	914	833	828	804	810
Rancho Cordova	---	---	---	---	64,413	66,093
Sacramento	257,105	275,741	369,365	407,018	466,279	470,956
<b>Unincorporated Area:</b>	367,349	409,209	632,330	659,226	553,529	560,675
<b>Total:</b>	634,373	783,381	1,041,219	1,223,499	1,417,059	1,435,153
<b>% Increase over prior period:</b>		<b>23.49%</b>	<b>32.84%</b>	<b>17.50%</b>	<b>15.82%</b>	<b>1.28%</b>
<b>State Population:</b>	19,935,134	23,782,000	29,828,496	34,095,209	37,223,900	37,679,000
<b>% Increase over prior period:</b>		<b>19.30%</b>	<b>25.42%</b>	<b>14.30%</b>	<b>9.17%</b>	<b>1.22%</b>

Sources: U.S. Census Bureau; 2012 from California Department of Finance.

**INDUSTRY AND EMPLOYMENT**

Three major job categories comprised 71 percent of the Sacramento Metropolitan Statistical Area (SMSA) work force as of December 2011: services (34 percent), government (25 percent), and wholesale/retail trade (12 percent), based on seasonally unadjusted December 2011 statistics, as summarized in the following table. The SMSA unemployment rate (not seasonally adjusted) as of September 30, 2012 was at 9.74 percent, a decrease from the December 2011 SMSA rate (not seasonally adjusted) of 10.9 percent.

**Sacramento Metropolitan Statistical Area Labor Market Survey  
Calendar Years 2007 to 2011  
(Amounts Expressed in Thousands)**

<b>Industry</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Mining	0.8	0.8	0.5	0.5	0.3
Construction	64.3	57.3	38.1	33.4	20.9
Manufacturing-Nondurable goods	12.0	11.9	11.6	11.3	10.8
Manufacturing-Durable goods	27.5	26.0	21.7	21.9	21.9
Transportation, Warehousing & Public Utilities	26.4	26.5	23.4	23.3	22.5
Information	20.2	19.1	18.1	16.7	16.7
Wholesale Trade	28.1	27.4	23.2	22.4	22.0
Retail Trade	103.8	97.8	89.2	87.7	91.1
Finance, Insurance, Real Estate	85.5	81.3	72.4	80.9	82.4
Services	338.7	337.7	305.3	298.2	314.3
Government	237.6	238.9	235.1	235.6	225.8
Agriculture	7.3	8.3	8.4	7.5	7.5
Other	51.2	56.6	67.6	63.8	78.7
<b>Total:</b>	<b>1,003.4</b>	<b>989.6</b>	<b>914.6</b>	<b>903.2</b>	<b>914.9</b>

Source: California State Employment Development Department; not seasonally adjusted; as of each end-December.

**MAJOR EMPLOYERS**

Major Private Sector employers in the Sacramento Metropolitan Statistical Area, their type of business and their number of full-time equivalent (FTE) employees in 2011, and major public sector employers in the County of Sacramento only, are detailed in the following two tables.

**Major Private Sector Employers 2011**

<b>Company</b>	<b>Type of Business</b>	<b>No. of FTE Employees</b>
Kaiser Permanente	Health Care	9,932
Sutter Health	Health Care	9,609
Mercy/Catholic Healthcare West	Health Care	7,107
Intel Corporation	Semiconductor Manufacturer	6,147
Hewlett-Packard	Computer Hardware Manufacturer	3,500
Wells Fargo	Financial Services	2,986
Health Net Inc.	Health Care	2,440
Cache Creek Casino Resort	Leisure & Hospitality	2,376
Pacific Gas & Electric	Natural Gas and Electric Utility	2,060
Thunder Valley Casino Resort	Leisure & Hospitality	2,025

Source: Sacramento Business Journal Annual 2011 Book of Lists

**Major Public Sector Employers-Sacramento County Only  
2011**

<b>Company</b>	<b>Number of FTE Positions</b>
State of California	70,937
Sacramento County	11,300
UC Davis Health System	8,580
Elk Grove Unified School District	5,619
San Juan Unified School District	4,600
Sacramento City Unified School District	4,500
City of Sacramento	4,000
Los Rios Community College District	3,153
California State University Sacramento	2,342
Sacramento Municipal Utility District	1,859
Folsom Cordova Unified School District	1,564

Source: Sacramento Business Journal Annual 2011 Book of Lists

**TAXABLE TRANSACTIONS ACTIVITY**

Commercial activity contributes to the County's unincorporated area economy. Total taxable sales peaked most recently in Calendar Year 2005, and then had been declining through Calendar Year 2010 by approximately 27 percent, before beginning to increase again in Calendar Year 2011 by approximately four percent.

**SACRAMENTO COUNTY UNINCORPORATED AREA  
Total Taxable Transactions Calendar Year 2004 through 2010  
(Amounts Expressed in Thousands)**

<b>Category</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Apparel Stores	\$160,128	\$180,560	\$185,423	\$179,919	\$164,575
General Merchandise Stores	578,989	607,700	630,673	609,932	617,280
Specialty Stores	907,190	1,025,843	1,022,243	1,054,431	883,809
Food Stores	339,642	351,710	361,808	373,952	368,161
Packaged Liquor Stores	47,175	48,465	47,924	48,014	47,953
Eating and Drinking Places	512,004	529,593	535,006	541,218	531,328
Home Furnishings, Appliances	324,171	310,709	253,430	215,511	170,718
Building Materials, Farm Implements	871,644	912,591	827,099	724,757	601,881
Service Stations	511,858	600,454	612,478	629,289	702,841
Automobile, Boat, Motorcycle, Plane Dealers and Parts Outlets	1,271,681	1,179,871	1,098,224	978,595	724,091
<b>Total Retail Outlets:</b>	<b>\$5,524,482</b>	<b>\$5,747,496</b>	<b>\$5,574,308</b>	<b>\$5,355,614</b>	<b>\$4,812,637</b>
Business & Personal Services	146,100	146,495	141,485	141,968	128,435
All Other Outlets	1,172,110	1,313,343	1,423,891	1,251,543	1,471,656
<b>Total All Outlets:</b>	<b>\$6,842,692</b>	<b>\$7,207,334</b>	<b>\$7,139,684</b>	<b>\$6,749,129</b>	<b>\$6,412,728</b>

Source: MuniServices LLC.

Data source changed in 2009 to The HdL Companies, changing the Category grouping as follows:

<b>Category</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Autos and Transportation	\$942,614	\$955,688	\$1,070,617
Building and Construction	742,477	676,288	685,985
Business and Industry	666,587	694,813	591,105
Food and Drugs	365,855	364,302	382,034
Fuel and Service Stations	720,859	810,838	1,014,897
General Consumer Goods	1,363,374	1,267,755	1,223,697
Restaurants and Hotels	519,606	513,121	518,214
Transfers/Adj/Other	2,134	(316)	(694)
<b>Total:</b>	<b>\$5,323,506</b>	<b>\$5,282,489</b>	<b>\$5,485,855</b>

Source: The HdL Companies

**CONSTRUCTION ACTIVITY**

The value of total building permits issued in the County totaled \$929,269,000 in 2011, an increase of 31 percent from the prior year, but still approximately 64 percent lower than the 2005 level. The value of residential permits from 2005 to 2010 reflects an 83 percent decrease from its peak in 2004, at the height of the housing market, with the largest declines in 2005 and 2006, but did increase in 2011 for the first time since 2004, although remain at a comparatively low level. The value of nonresidential building permits spiked in 2008 from the 2007 level, before falling in 2009 and 2010 by 64 percent from the 2008 level, and then increasing approximately 60 percent in 2011 from the previous year, again remaining at a comparatively low level.

**SACRAMENTO COUNTY  
Building Permit Valuations  
Calendar Year 2005 through 2011  
(Amounts Expressed in Thousands)**

<b>Valuation:</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Residential	\$2,050,782	\$1,172,892	\$961,888	\$681,318	\$396,103	\$382,892	\$407,619
Nonresidential	527,308	592,330	600,632	897,092	356,605	326,017	521,650
<b>Total:</b>	<b>\$2,578,090</b>	<b>\$1,765,222</b>	<b>\$1,562,520</b>	<b>\$1,578,410</b>	<b>\$752,708</b>	<b>\$708,909</b>	<b>\$929,269</b>
<b>New Dwelling Units:</b>							
Single Family	7,168	3,677	2,764	1,692	754	630	504
Multiple Family	757	1,017	146	18	8	50	142
<b>Total:</b>	<b>7,925</b>	<b>4,694</b>	<b>2,910</b>	<b>1,710</b>	<b>762</b>	<b>680</b>	<b>646</b>

Source: Sacramento County Assessor's Office.

**TRANSPORTATION**

The County's location and transportation network have contributed to the County's economic growth. The County is traversed by the main east-west and north-south freeways serving northern and central California. Interstate 80 connects Sacramento with the San Francisco Bay Area, Reno, Nevada, and points east. U.S. Highway 50 carries traffic from Sacramento to the Lake Tahoe Area. Interstate 5 is the main north-south route through the interior of California; it runs from Mexico to Canada. California State Highway 99 parallels Interstate 5 through central California and passes through Sacramento.

Transcontinental and intrastate freight rail service is provided by the Union Pacific Railroad. Passenger rail service is provided by AMTRAK. Bus lines offering intercity as well as local service include Greyhound and Sacramento Regional Transit. Regional Transit also operates an approximately 37-mile light rail system.

The Port of Sacramento provides direct ocean freight service to all major United States and world ports, shipping approximately 870,000 tons of cargo annually. It is a deep-water ship channel, located 79 nautical miles northeast of San Francisco. The three major rail links serving Sacramento connect with the Port, and Interstate 80 and Interstate 5 are immediately adjacent to the Port.

The County Airport System provides for the planning, development and operation of public air transportation facilities serving Sacramento County and adjoining areas. The Airport System consists of Sacramento International Airport, which as of July 2011 had 13 passenger airlines and two all-cargo airlines, serving approximately 4.5 million enplaned passengers annually; Executive Airport

and Franklin Field for general aviation and Mather Airport for air cargo and general aviation. In 2008, the Sacramento International Airport began construction of a Terminal Modernization Program to address future capacity needs through at least 2020, which include a new 19-gate Concourse B (netting seven additional gates) and a new landside Terminal B. The new facilities opened and became operational on October 6, 2011.

Sacramento County voters passed a ballot measure in November of 1988 providing for collection of an additional 1/2 cent sales tax to be used exclusively for transportation and air quality projects. Ballot language specified formula distribution: (1) for the cities and unincorporated area of the County; (2) for projects to reduce air pollution; and (3) for mass transit improvements. The original expiration date for the additional 1/2 cent sales tax was 2009, but in 2004 the County voters approved, by 75.29 percent, extending this 1/2 cent sales tax for an additional 30 years to 2039.

### **AGRICULTURE**

According to the annual 2010 Sacramento County Crop and Livestock Report published by the County Agricultural Commissioner (the most recent complete report available), the total Sacramento County crop production for 2010 was \$355,943,000, representing a two percent increase from 2009 values, following a reduction of three percent in 2009. The top two crop production values in the County during 2010 were wine grapes and milk production. The County continues to lead the state in Bartlett Pear production.

### **EDUCATION**

The Sacramento region benefits from a network of over 700 public and private elementary to high schools educating approximately 400,000 students. Sacramento County alone has numerous public school districts serving an estimated 240,000 students within the K-12 level.

The Los Rios Community College District serves the majority of Sacramento County, as well as portions of El Dorado, Placer, Yolo and Solano Counties, with four main campuses enrolling approximately 81,000 students. The four campuses are: American River College, Sacramento City College, Cosumnes River College and Folsom Lake College. Sierra College also serves the area with an enrollment of approximately 20,000, as well as Yuba College with an enrollment of approximately 10,000. Schools offering vocational education include Carrington College, Anthem College, Heald College, MTI College of Business and Technology, ITT Technical Institute and WyoTech.

In the Sacramento area roughly 29 percent of the adult population has a Bachelor's degree or higher, compared to 27 percent nationwide and 29 percent Statewide. Higher education is available from a variety of institutions throughout the area. Primary among these institutions are the University of California, Davis (UCD) and California State University, Sacramento (CSUS).

UCD offers four colleges, six professional schools, more than 100 academic majors and 90 graduate programs, serving 32,000 students. Founded in 1908 to serve the agricultural needs of the growing state, UCD has emerged as an acknowledged international leader in agricultural, biological, biotechnological, food and environmental sciences. It is also recognized for excellence in the arts, humanities, social sciences, engineering, health sciences, law and management. It is an international leader in sustainability-related research and application. A new mixed-use community on campus, UC Davis West Village, incorporates innovative practices and technologies to be a model community for conservation. One of ten campuses in the University of California system, UCD ranks sixth among U.S. universities based on contributions to society (Washington Monthly) and tenth in research spending among public universities nationwide (National Science Foundation). It is one of

61 North American universities admitted into the prestigious Association of American Universities. U.S. News and World Report ranks UCD ninth among public universities nationwide.

CSUS enrolls 27,000 undergraduate and graduate students, and graduates approximately 6,000 students each year. The university has an annual economic impact on the region of nearly \$930 million and 16,000 jobs. CSUS has one of the largest cooperative education programs in California, placing students in paid positions where they receive academic credit. Hundreds of other students serve internships in business and government, and a third of CSUS students work as volunteers, many through a service learning project in class, gaining valuable work experience while helping their community.

The region also has a number of branches of private colleges headquartered outside the Sacramento region, including National University, Brandman University (part of the Chapman University system), University of Phoenix, University of San Francisco, University of Southern California and Drexel University Center for Graduate Studies. Two major law schools are the University of the Pacific McGeorge School of Law, recognized as a leader in the field of law education, and the UC Davis School of Law.